

SHEAFFERS

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Review

JANUARY 1959

SHEAFFER'S

REVIEW

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Throughout the World

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~~Editor-in-Chief~~ RICHARD DICK PRIEBE

On The Cover

With this issue, the Review begins its 12th year. Since Volume 1, number 1 was issued in January, 1948, many events have been reported on these pages. Past issues mirror 11 years of progress for the Sheaffer Pen Co. and its employees. In 1959, we'll add to this story, and our cover is a salute to the still budding year and to the new advances Sheaffer employees will work together to achieve. Our four attractive cover models are (from the top) Janice Lox, Sandra Reinhardt, Susie Kincaid and Joyce Pappas. The departments shown are (in the same order) Metal Fab, Drafting, Accounting and Service.

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From the editor's notebook

POSTSCRIPT ON CORA: The end has come for Cora the Crow, whose story appeared in the November Review. Eric Smith, personnel manager at the Canadian plant, writes that an unfriendly farmer has killed Cora with a pitchfork. He adds: "The worst part is, the farmer knew it was tame. You can be sure Harold (Harold Gauley, assembly department manager at the Canadian plant and Cora's adopted owner) is at present not on friendly terms with him. There's one in every crowd."

So it would seem, Eric.

* * * * *

The report on activities of the New Products Committee (page 6) reveals that employees have suggested 13 items in areas entirely removed from the writing instrument industry. This is fine. But one question comes to mind. How many other employees have ideas they haven't submitted?

The committee will welcome all of them. And who knows? Yours might be a bell ringer.

* * * * *

This brings to mind a curious fact concerning our employee suggestion plan. As you'll recall from figures which appeared in the July Review, the average payment per adopted suggestion in our plan is \$99 as compared to an average of \$30 for 206 other companies. Each adopted suggestion by a Sheaffer employee means an average savings to the company in the first year of \$297. For the other companies it's \$230. Our average percentage of savings paid to employees is 33½ per cent, compared to 10 to 15 per cent.

As you can see, we're well ahead on all counts. Yet, and here's the puzzler, our annual number of adopted suggestions per 100 employees averages three while the other companies have an average of about 50.

Why this difference? Obviously we've submitted far fewer suggestions than employees of the other companies.

Anyone have an idea about that?

Money Behind Every Bush

LET'S IMAGINE that, one morning, it was announced that \$10 bills had been hidden behind every bush and tree in America—enough of them to make all of us rich.

It wouldn't take long for us to be out collecting the crisp, green bills. In Fort Madison, Mt. Pleasant and every other town, streets would be crowded with people carrying boxes full of money.

We'd all stop working, of course. Why bother when we'd have more money than we could ever spend.

Sound wonderful? It isn't. There's a big hitch in this pleasant dream. Within weeks, we'd have the lowest standard of living in the world, or pretty close to it.

The reason is that if we stopped producing, there soon wouldn't be anything left to buy. Our money would be worthless, because money is valuable only because of the things it will buy. It's not the bills we carry in our billfolds that are important. It's the purchasing power they represent.

This fantasy of money behind every bush illustrates some important facts about our way of life. First, it

shows that our standard of living, the world's highest, has resulted from the amount of goods we produce. It also shows that our living standards will continue to grow only if we continue to increase our production of goods.

The thing that happened in our fantasy can happen on a smaller scale if we add more dollars to our pockets without adding enough additional goods to spend them on. The extra dollars mean less and less to us because we are able to buy less and less with them.

This has been happening, as the story on page 3 explains. The amount a dollar will purchase has been cut in half in the last 20 years. So far, we've stayed ahead of the game, despite this lost purchasing power, because research, better machines and new ways of doing things have enabled us to steadily increase production.

But we could fall behind. We could reach the point where, despite having more dollars, we'd actually have less total purchasing power than before.

On first thought, money behind every bush sounds wonderful. On second thought, we can all be glad it's a crop we can prevent being harvested.

Why Your Dollar is Worth 50 Cents

The dollar you earn today is worth only half as much as it was 20 years ago. The reason is inflation, where rising prices keep cutting down the amount a dollar will buy. Who's to blame for making our dollar a 50-cent piece? Who or what has pushed prices to record levels? What can we do about it? What can happen to our way of life if this problem isn't solved? These vital questions are discussed in the article on this page.

TODAY'S DOLLARS will buy only half as much as the dollars we earned 20 years ago. By comparison, they have been reduced to 50 cent pieces.

Who's to blame for the highest prices in America's history and the resulting "50-cent" dollar?

Because industry gets the money that we, as consumers, have to pay out, many influential people, both in and out of government, are saying that America's business enterprises are the villain.

Walter Reuther, head man of the United Auto Workers, has made this blunt statement on many occasions. And at least one Congressional committee is getting ready to "investigate" industry this year. Among other things, grounds for the investigation will be charging too much for products, paying employees too little and making too much profit.

All of this makes an impressive smokescreen, but the truth regarding high prices isn't hard to find.

First of all, what is the price for any product? The answer is always the same, whether we're talking about writing instruments, automobiles or electric toasters. The selling price of anything is the sum of the five costs that go into it. These are (1) the cost of goods and services bought from others; (2) the cost of human energy (payroll, profit sharing, trust fund, etc.); (3) the cost of taxes; (4) the cost of tools wearing out (depreciation, etc.); (5) the cost of using the tools (profit).

Now, let's look at how much each of these costs are. In 1957, prices of the products of America's 100 largest corporations, a follow-up as follows:

Cost of goods, services bought from others	49.3%
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help lower prices very much, because profits represent only 7.7 per cent of the average selling price.

It is apparent that some force other than industry has pushed prices up and turned the American dollar into a 50-cent piece.

The real culprit is government, which has been living beyond its income and has had to create new money to pay its bills. This new money has diluted the value of all other money. It's like adding flour to water. Unless you also pour in more water, the mixture keeps getting thicker and thicker. In the case of new money, unless enough new goods and services are also added to back the dollars up, each dollar is worth less and less in terms of purchasing power.

As the value of money has gone down, everybody who supplies anything to industry has raised his price in order to make up for lost purchasing power. The supplier has asked more for raw materials. The employee has sought more for his human energy. And so on.

As business costs have gone up, prices have had to rise with them. The only alternative would be to lock the doors on offices and factories across the land.

Today's high prices are the result rather than the cause of our 50-cent dollar. And the cause will be removed only when we, as consumers, demand that our government stop spending beyond its income.

Someday, at our present rate, we could be using today's dollars for pennies. That's a frightening thought.

(Continued on page 6)

Cost of human energy	28.2%
Cost of taxes	9.3%
Cost of tools wearing out	5.5%
Cost of using the tools	7.7%

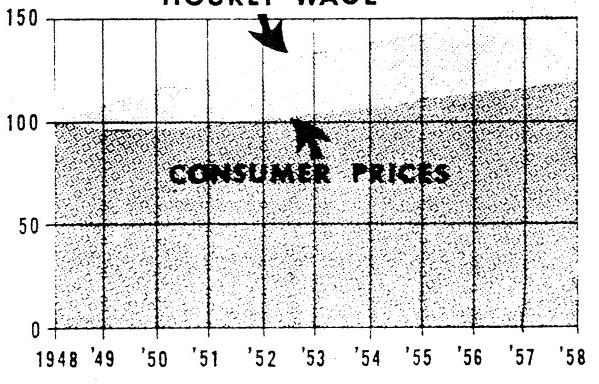
When we say that prices have doubled since 1939, we are really saying that these five costs have doubled. And, if industry is to blame for today's high prices, it must also be to blame for the increases in these costs.

It's easy to see that this doesn't make sense. Is industry willingly paying twice as much for its outside goods and services? Did industry ever urge that taxes skyrocket to the point where the federal government alone takes 52 cents out of every dollar? Can the management of any company create some magic formula for preventing tools from wearing out or becoming obsolete? Can any company call a halt to all wage and salary increases? The answer to all of these questions is "no."

This leaves only one cost management can control--the cost of using tools, or profit. But even control of this cost is limited, because when a company ceases to make profit, people stop investing money in it and the company goes out of business. Further, the elimination of profits wouldn't

SINCE 1948, the wages of Sheaffer employees has increased about 50 per cent. But the gain in purchasing power has been only about 30 per cent, because the prices of things we buy have also gone up sharply in the last 10 years. We have more dollars, but can buy less with them. In the future, unless we do something about it, our losses to inflation will be greater.

SHEAFFER AVERAGE HOURLY WAGE



Before the party, there were gifts to package and a tree to trim



EMPLOYEES FROM the Pen Point Department and from the fourth floor of the General Offices met two nights before the party to see that gifts, candy and decorations were ready. Above (left to right) are Rose Bailey, Mildred Jeffries, Georgia Forsythe, Norma Rude, Midge Daugherty, Ruth McFarland, Tillie Meister and Fred Strunk. At the right, trimming old tannenbaum, are (left to right) Mildred Rousch, Letta Grossenkemper, Norma Jean Mason, Mary Ann Fraise, Pat Bray and Marty Marsh.



On the big evening, the club house gym was filled



The Review

The Annual



Sheaffer's Review

These Youngsters Provided Entertainment



THE PROGRAM included these four youthful entertainers. From the left are Pat Gibbs, Pamela Cullen, Tina Cullen and Dora Jean Mendez.



And then the line formed

*Camera Visits...
Christmas Party*



Because, of course, Santa Claus was there



Report on New Products Committee... Promising Products are Being Surveyed

A total of 178 product ideas have been evaluated by the New Products Committee since it was formed last May (see July issue of Review), and cost and marketing surveys are now being conducted on several items which have particular promise. No definite decision will be made to accept these product ideas until the surveys have been completed, of course, but Patent Counsel Wilbur Olson, chairman of the New Products Committee, says the group "is encouraged by the results it has obtained, whether these items prove satisfactory or not."

Of the new product ideas received by the committee, 13 have come from Sheaffer employees and 165 from outsiders. The ideas have been divided into 12 separate classes and 19 subclasses, which indicates the wide variety of suggestions. There have been 32 relating in some way to construction materials and supplies. The smallest number of suggestions—2—are in the group concerning chemicals and chemical compositions. There has also been emphasis on "Games, Toys, Sporting Goods and Musical Instruments" and "Automotive Equipment and Supplies." There have been 13 ideas submitted for each of these classifications.

There have also been several unusual product ideas, according to Mr. Olson. These include a shaving accessory to align sideburns, a fly catcher, a safari camp cot, a safety swimming cap, which transmits a signal when a swimmer's head is above water and cuts off as soon as the head is submerged, and a cigarette snuffer.

Other members of the New Products Committee are A. A. Zuber, vice-president of engineering and manufacturing, and J. E. Schier, director of product research and development. The group has not followed a definite meeting schedule, but gets together whenever necessary. Considerable travel has been required to investigate ideas and to develop idea sources, and committee members have made trips to such places as Washington, D. C., Chicago and Minneapolis. On several occasions, visitors have visited the Milwaukee office to demonstrate ideas and to examine our manufacturing facilities.

Numerous sources of new product ideas have been developed by the committee, and these have added hundreds of product possibilities to those 178 items submitted directly by employees or outside inventors.

The 50-Cent Dollar

(From page 3)

And the prospects for fiscal 1959 do nothing to ease this stark possibility. Take these facts into account:

A deficit of as much as \$12 billion is possible for the fiscal year.

This would mean that, on the average, our government would be spending a billion dollars more a month than it took in.

This deficit breaks down to \$33 million a day or better. For every minute, it exceeds \$20,000.

The government spends this kind of money because politicians believe it represents the wishes of the people. This emphasizes that we haven't done a very good job of telling them what we do want, because none of us wants a 50-cent dollar.

Politicians will change and government spending will go down only when we, as consumers, tell them we don't want ever higher prices and an ever cheaper dollar. They'll change then because we can vote them out of office if they don't.

It's squarely up to us to decide if we want pennies or dollars 20 years from now.

Three Top Salesmen Win Trips to Hawaii

Three members of the sales force last month earned expense-paid trips to Hawaii for themselves and their wives. They are Jack Parker, Eastern District; Bob Wehrman, Southern District, and Bud Stayton, Western District.

They had the top sales records in their districts during the company's fall and Christmas campaign. The Hawaii trips were first prizes in a contest for sales personnel conducted by the Marketing Division.

The Question Box

QUESTION: Do you think Congress should approve income tax reductions in 1959?

FRED HETZER,
Plastic Fab. If it's done just to get votes or to benefit political parties or politicians, I would say no.



HELEN KRAUS,
International—Definitely. I think we're due for a reduction because the cost of living has gone up and wages are not increasing accordingly.

GEARY SIMPSON, Organization and Planning—Definitely. I think all of us are paying for more service than we are receiving from our government, whether it's through income taxes or other forms of taxes.



ALTA MAE PERRY, Credit—Yes, I think taxes should be reduced, especially for people in the middle income bracket.

LA VAUN HARR, Pen Point—I think so. I wouldn't want to make the decision, but any action by Congress would be all right with me.



KENNY MYERS, Mt. Pleasant—I'd like to see taxes reduced as well as anybody, but I have my doubts if it can be done at this time. I'll leave the final decision up to our representatives.

New Members of WASPCO Council Attend Their First Meeting



NEW members of the WASPCO Council attended their first meeting last month. They will represent employees in monthly meetings with top management throughout 1959.

Front row (left to right) are Joe Peacock, Plating; Dennis Morrison, Service; Gerald Wilson, Laboratory; Dorothy Lamb, Pen Point; Edith Trainer, Metal Fab; Katherine Maline, Skrip; Osa Wilsey, Accounting; Velma Anderson, International; Louise Watts, General Administration Opr., secretary, and Clara Burch, Stock and Warehouse.

Second row (left to right) are Ray Magel, Shipping; Walt Schmidt, Desk Stand; Jim Bailey, Maintenance; Jim Howard, Plastic Fab, vice-chairman; Harold Mehl, Quality Assurance, chairman; Art Sly, Plastic Fab; Dave Hauck, Tool and Die; Carl Comstock, Pen Point; George Meyer, Screw Machine; Dale McCray, Tool, and Harold Lightfoot, Receiving and Warehouse.



**Cora Dye
Completes
40 Years
Of Service**

Mt. Pleasant Employees Enjoy Turkey Dinner



THE WEEK before Christmas, employees of the Mt. Pleasant Plant enjoyed a turkey dinner with all the trimmings. A few of the happy diners and a small portion of the food are shown in the picture above. (P.S.—The pie tasted even better than it looks.)

On Armistice Day, 1918, Cora Dye became an employee of the Sheaffer Pen Co. In November, she observed the 40th anniversary of that occasion, which makes her one of our oldest employees in length of service.

Cora's first job was in Pen Assembly, and she worked there until 1931, when she moved to Plastic Fab. Since 1948 she has been an inspector assigned to Plastic Fab.

She says her most interesting experience was moving into the new factory building. "It's wonderful when you compare it to the one I started in," she says.

In fact, Cora adds that our operations in 1918 and those of today can't really be compared. "Things are just too much better and more modern now," she says.

Cora thinks all employees should be proud that quality makes Sheaffer writing instruments the best on the market. For employees just starting with the company, she advises two things: be cooperative and friendly.

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Five Employees Receive Gold Desk Sets



PRES. W. A. SHEAFFER II last month presented solid gold desk sets to five employees who have completed 30 years of service. They are (left to right) Les Hall, Tool and Die; Inez Bihm, Quality Assurance; Naomi McNeil, Quality Assurance; Charlotte Patton, Service, and Erma Schmicker, Metal Fab.

Competition Moves In . . .

Other Firms Introduce Women's Pens

Our latest reminder that keen competition exists in the writing instrument industry has come in the area of pens designed for women.

Since our Lady Sheaffer Collection was introduced last March, establishing a new concept in the marketing of writing instruments, several competitors have come up with new women's pens.

Papermate has the "Lady Capri," a ballpoint pen selling for \$2.95. It comes in one design with assorted colors. Shorter than Papermate's other "Capri" pens, it is without a clip and has a matching purse case.

David Kahn, Inc., which specializes in high volume production of low-priced pens, has introduced a series of Wearever cartridge pens called "Lady Fair." There is one model in a variety of colors, selling for \$1.95 and including two additional refills and purse case. The design is similar in appearance to that of our Lady Sheaffer XI model. There is no clip. The advertisements and counter merchandisers for the "Lady Fair" show the pen being held in a gloved hand, an illustration much like that used by our comp-

any. An ad in a metropolitan newspaper had this to say about "Lady Fair" pens: "This is a careful copy of a much more expensive pen by a famous maker . . ."

The Parker Pen Co. now has a line of women's ballpoint pens. Previously, Parker had the "Debutante," a foun-

Service Anniversaries

- 30 YEARS -

Erma Schmicker Metal Fab
Charlotte Patton Service

- 15 YEARS -

Alta Perry Cashiers
Vivian Yaley Skrip
Orinda Boring Skrip
Dorothy Morrison. Quality Assurance

- 10 YEARS -

Myrtle Oppenheimer .. Occupancy G

- 5 YEARS -

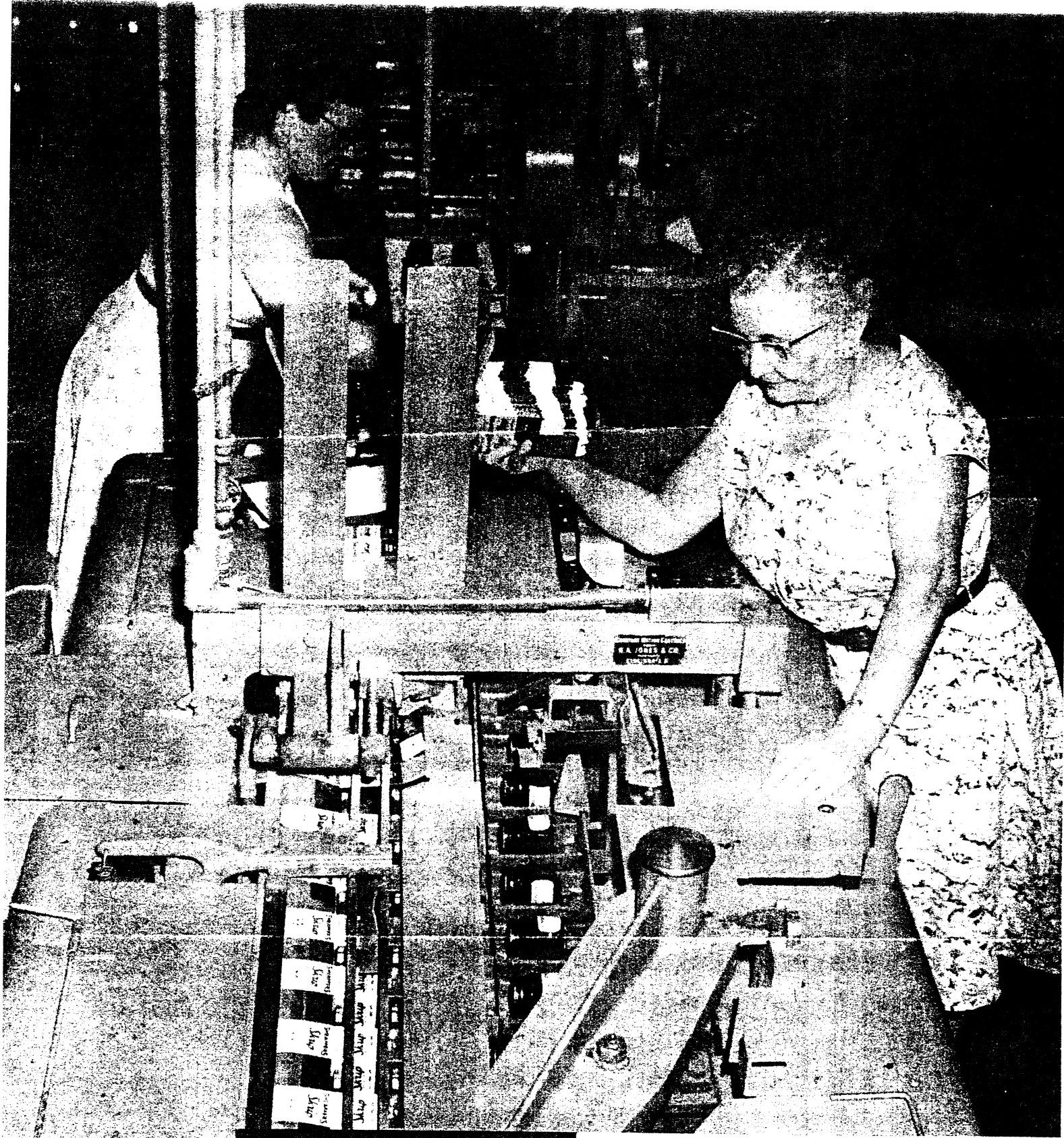
Callie Thomas Prod. Control
Carl Siefken International
A. C. Muir Tool & Die
Delbert Tiemeyer Tool & Die

tain pen much like their "21" model but with a decorative cap. Since the Lady Sheaffer Collection was introduced, Parker has added the Minim Jotter ballpoint in three models at \$5, \$8.75 and \$25, the Princess Jotter ballpoint in four models from \$5 to \$10, and the Deb Jotter at \$2.95. None have clips and all have decorative designs except the Minim. It has gold or gold filled caps and barrels on the two more expensive models (the \$5 model has a plastic barrel) and is much shorter than Parker's other ballpoints.

Canadian Employees Receive Service Pins



FIVE employees of the Canadian plant received five-year service pins last month. In the left picture, Pres. Clyde Everett presents pins to (from the left) Elizabeth Robinson, Fabrication; Violet Robertson, Service; Louise McWhinney, Fabrication, and Harold Doak, Maintenance. At the right, Mr. Everett is shown with Harold Gauley, Assembly Department manager.



SHEAFFER'S

Review

MAY 1959

To All Sheaffer Employees . . .

IN THE last WASPCO Council meetings, questions were raised concerning recent changes in our Marketing Division staff. Council members pointed out that some of you have asked why the staff was being expanded at the same time some production employees were being laid off. They reported you have wondered why corresponding reductions were not made in office personnel.

These are important questions. They involve basic concepts which must guide us in the conduct of our business. I want to use this space in our employee publication to discuss them with you.

First, I want to re-emphasize that the real boss in the operation of our company is the customer. It is on the sales counters across the land that we gain the income which pays wages and salaries and all the other costs of producing our product. We have gained nothing from the workmanship which goes into Sheaffer writing instruments until they move across counters and into the hands of customers.

It is important to produce top quality writing instruments, but that is not enough. Our greatest challenge is to win customers.

This is a constant battle. We must compete with the many other companies in our industry, as well as thousands of companies manufacturing gift items—jewelry, small appliances, etc. As you will remember from our recent displays, the competition is rugged.

It takes skill to manufacture a quality writing instrument. In our highly competitive economy, it takes just as much skill to win the battle for customers. We cannot assume that customers will buy our products merely because they are quality products. Nor can we sit back and wait to see what it is that customers want. We must create demand for our products by telling customers why they are a good buy. And we must make every effort to anticipate what customers want so we can be leaders in the market and not followers.

All of this is a function of marketing. The marketing skills utilized to move our products across the counter are as specialized as those for any precision job in our manufacturing departments.

In recent months, we have completed plans for broadening the scope of our marketing program. There is only one purpose for these changes—to increase our power to create consumer demand. Only in this way can we achieve the highest level of production and provide the most jobs for the most people.

With an expanded marketing effort, it is essential that we have a staff with the background and experience to carry out extensive advertising, merchandising and sales programs. To form the staff we needed, we had to hire only two men from the outside. All other personnel

changes were made through promotions and the taking on of additional responsibilities by people within our organization.

In regard to your question concerning all office personnel, it is important to note that while a drop in sales usually means a decrease in production, it doesn't necessarily mean a corresponding drop in administrative or office duties.

For one thing, orders require the same processing whether they are small or large. It takes as much time, and as many people, to handle a \$100 order as it does to handle a \$1,000 order. We cannot cut back on these services, even though the same, or possibly a greater, number of orders represent less dollar volume.

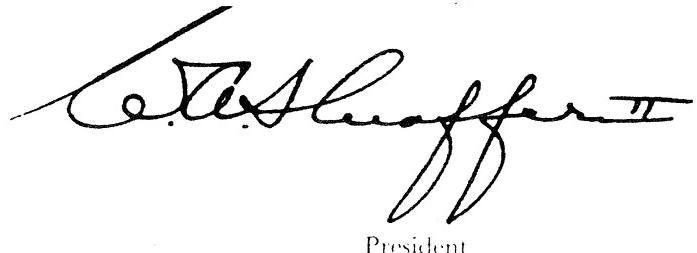
Further, even if we had no sales at all for a given period, a lot of administrative work would still have to go on. There are government reports—about taxes, capital expenditures, workmen's compensation, social security, trust funds and a whole host of other things. Some are made monthly, some quarterly, some every six months and some once a year. All are required by law. There is also, as you can imagine, a great deal of accounting, clerical and administrative work which must be done in connection with the operations of our foreign and domestic subsidiaries.

In fact, although this is a subject in itself, the administrative burden placed on industry by government has grown out of all proportion. The supreme court decision that a company like ours must pay state taxes in all the states in which it does business is a current example. For us, and for many companies, the administrative cost of preparing and filing the many tax forms will often be greater than the taxes themselves.

There are many other examples I could note. But these few illustrate that decisions concerning production and administrative work cannot always be made on the same basis.

As I mentioned earlier, the questions some of you have asked are basic ones. Again, I want to stress that, in our judgment, the changes we have made are necessary to provide the increased sales and increased profits essential to the growth of our company and from which we will all benefit.

Sincerely,



T. J. Sheaffer
President

The Skrip Department . . .

Employees and Machines

In this issue, the Review camera traces the production of our Skrip writing fluid. Additional pictures appear on pages 4 and 5

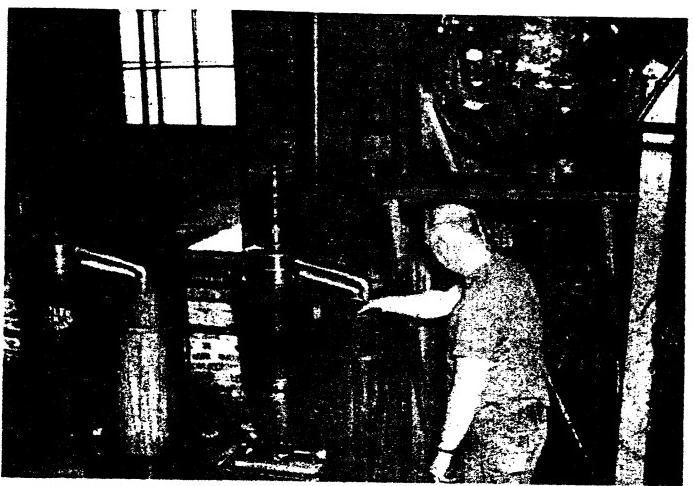
IN JULY of 1922 a new department was set up in a semi-farm on our company's plant, which was then the former Monroe Plow Works building.

Six employees were assigned to the department, and their job was to manufacture and process the latest Sheaffer product, an improved fountain pen fluid developed in company laboratories by chemist Bob Casey and given the trademark "Skrip."

The department has come a long way since 1922. It was entirely a hand operation at first—filling, bottling, labeling, etc., but consumer demand for the new writing fluid went up rapidly, and production had to move along with it.

Today, the Skrip Department is an excellent example of how experienced Sheaffer employees use modern machines. Production is well over 300 times what it was in 1922. By combining their skills with machines, department employees have achieved increasingly high production at a low enough cost so the product can be sold at a reasonable profit in competition with other inks.

And the product made and processed by employees in the Skrip Department is known throughout the world. For some years, the fine writing qualities of Skrip, resulting from the exclusive, secret formula and careful quality control, have made it the world's largest selling writing fluid.



AFTER the ingredients of Skrip writing fluid have been carefully added to water in large mixing tanks, the liquid is passed through the rotating bowl of a high-speed centrifuge, which develops a force thousands of times greater than gravity. Solid impurities which may have been in the raw materials are deposited on the walls of this bowl, leaving a purified liquid. The principle is the same as that of familiar cream separators. Only about a handful of material is removed from each 10,000 gallons, but this would be enough to affect the writing qualities. In this picture Mickey Finley is removing a sample from the centrifuge to be sent to the lab for testing.

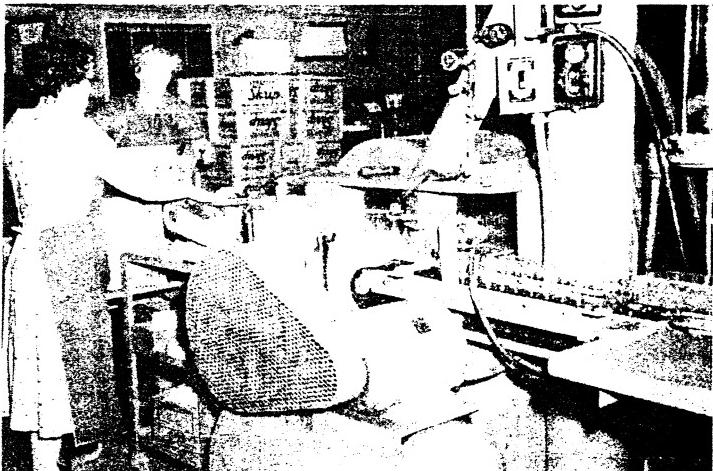


ALL WATER used in Skrip writing fluid is chemically treated and purified in these tanks. After the process, it is similar to distilled water.

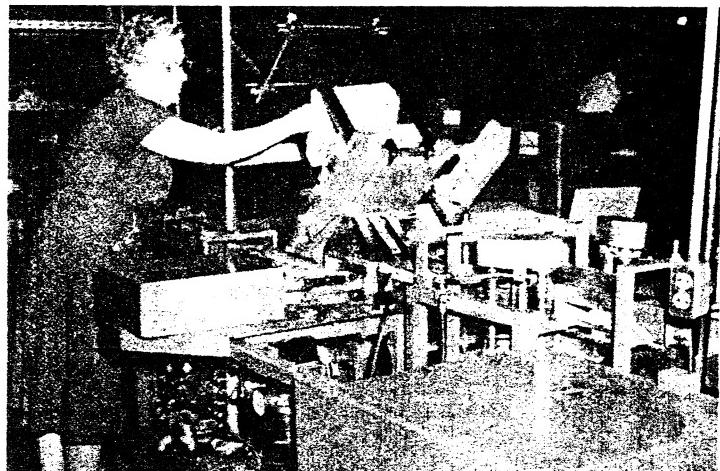
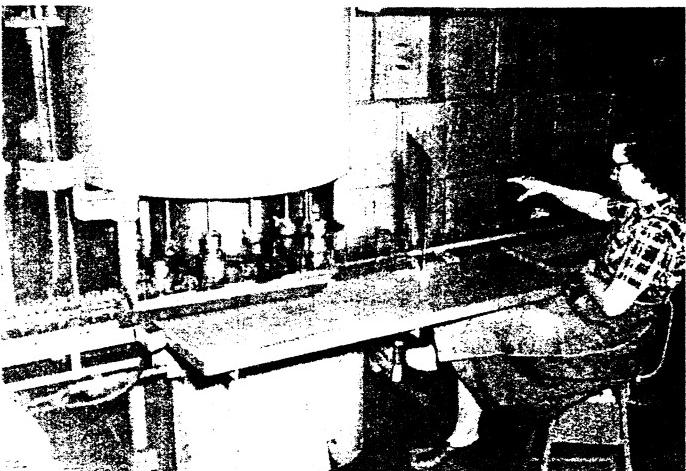


SKRIP writing fluid is kept in these storage tanks before going to the bottling line. Capacity of the tanks is from 1,000 to 3,500 gallons. They are steel, with hard rubber lining. The employees are Harold Wagner (left) and Francis Schurk.

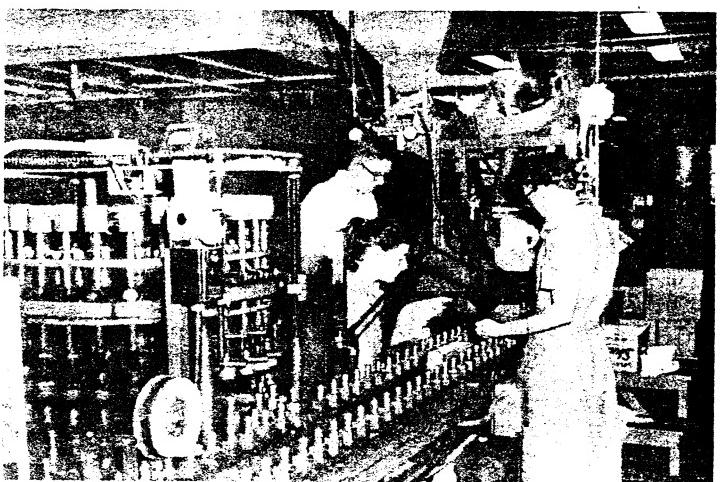
No. 1—Bernice Hettner, left, and Norma LaVelle unload Skrip writing fluid bottles from boxes and place them on the "unscrambling" machine. Considerable time is saved in unloading, because the machine automatically places the bottles upright in a single row, ready to be filled.



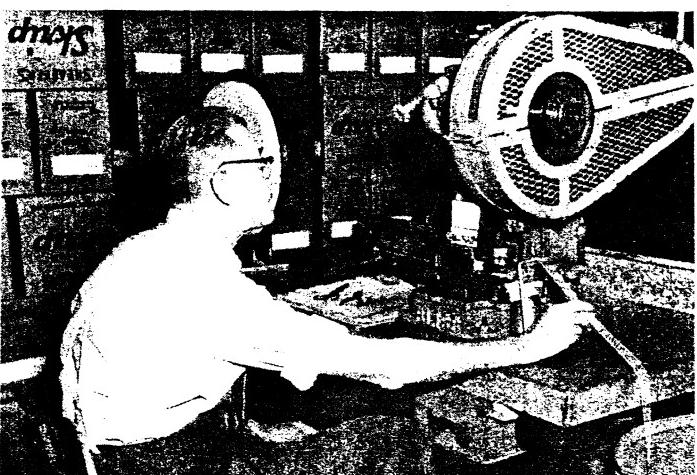
No. 2—The bottles are automatically filled with Skrip writing fluid by this machine. Air is removed from the bottles and replaced by fluid, which flows from the tank (above). Edna Thannert inspects each filled bottle as it leaves the machine.



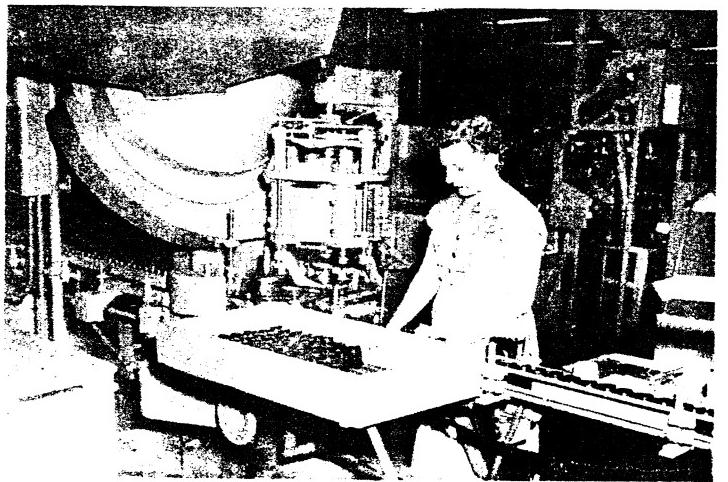
No. 5—After each bottle has been placed in an individual carton (see cover picture), the cartons are packed in groups of 12 by this machine. The operator is Edith Kuhlmeier.



No. 8—The processing of Skrip cartridges begins as they are fed from a hopper above onto a conveyor. They pass through a filling machine, then are capped and heat sealed. In this picture, Georgina Roberts (left) and Dorothy Hale inspect completed cartridges for leaks. With them is control inspector Jim St. Clair.

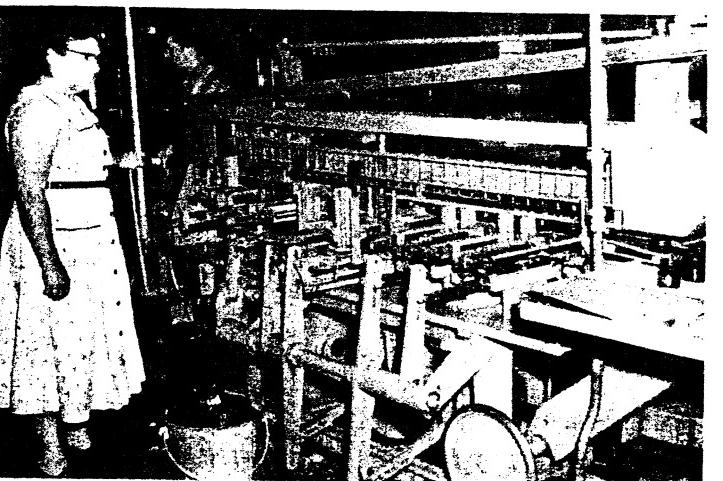


No. 9—The ends for Skrip cartridges are punched out of strips of plastic by this machine. The operator is Fred (Jim) Galbraith.



No. 3—The filled bottles are capped by this machine. The caps are held in the hopper above and placed tightly on each bottle as it goes through the machine. The operator is Francis Humphrey.

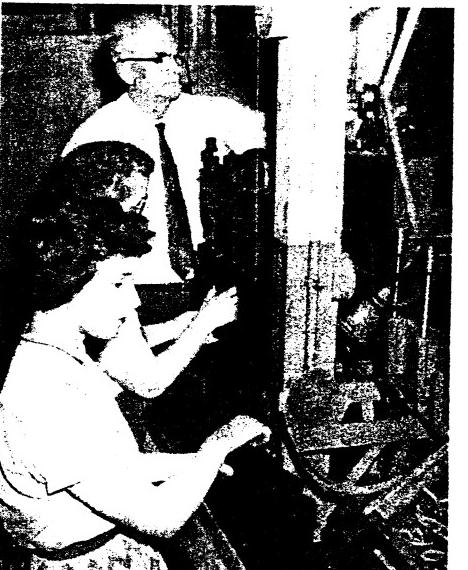
No. 4—Orinda Boring overlooks the labeling operation. Glue is applied to the bottles as they enter the machine and the label is then attached.



A Camera Views . . .

The Production Line For Skrip Writing Fluid

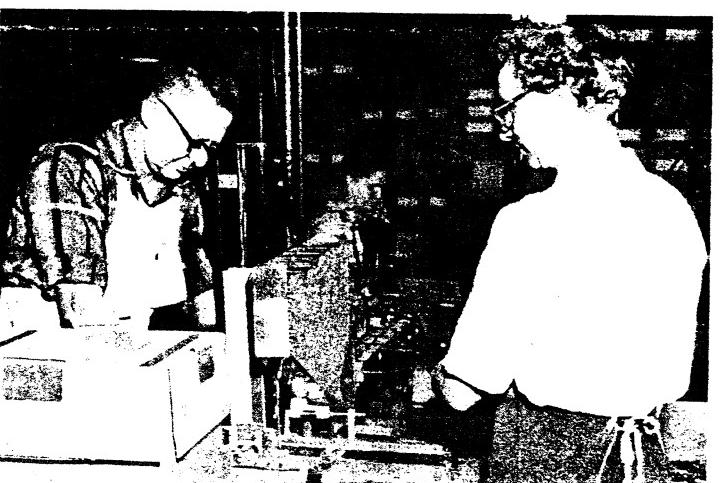
No. 7—The processing of quart bottles of Skrip writing fluid is largely a hand operation. Here, Marguerite Gilland (background) and Donna Deeds place bottles in the filling machine as department foreman Mike Mitchell adjusts pressure on the vacuum filling device.



No. 10—Cartridges are imprinted in this machine, with ink transferred onto the cartridges from a rubber roller. Shown are Evelyn Rash and supervisor Luther Berghoffer.



May, 1959



No. 11—As completed cartridges are fed downward from a magazine on this machine, five at a time are placed in cartons. The cartons are then automatically folded. The employees are Lucille Hart (foreground), Hazel Ballard and department supervisor Harold McEwee.

Lenox Writing Sets, with Custom-Made China Bases, Skripert Pen are Introduced

Two new products were introduced by our company last month. They include a series of eight desk sets with Lenox China bases, custom-designed for us by the world-famous maker of fine china, and a completely redesigned \$2.95 Skripert fountain pen and matching pencil.

Called Sheaffer Lenox Writing Sets, the new desk sets are fashioned for a complete range of home and office settings, traditional to contemporary. Three pens are used to compliment the bases—our new Golden Moire Skripert pen and two models of the Snorkel pen.

Seven models come in ivory china with 24K gold trim. One model, "The Stuart," is also available in pale pink and soft green.

Marketing Vice-President E. F. Buryan said the Lenox sets add a new concept to our present desk set line, which is the most complete in the writing instrument industry. "We wanted a set that would fit any type of home or office furnishings," he said. "We also wanted to make available a practical, prestige gift for both men and women and for all occasions. With the bases designed and crafted for us by Lenox China, we feel we have met these requirements."

The new sets, with complete gift packaging, will be on sale at stationery and gift counters, leading jewelers and department stores. Like an earlier Sheaffer first, the Lady Sheaffer Collection, they can be merchandised and sold in various departments of leading stores—china departments, gift shops, specialty departments, etc., in addition to the usual stationery counters.

The sets range from a classically simple single-pen base to an elegantly fashioned, pheasant-decorated base for two pens. The bases are called "The Stuart," "The Sea Shell," "The Sea Wave," "The Sheffield," "The Squire" and "Old Dominion." Prices are \$19 to \$68.

Mr. Buryan pointed out that the new Skripert pen and pencil ensemble is designed to increase our sales leadership in this type of writing instrument. "Our earlier model has met with good consumer acceptance," he said, "and there is growing preference for the cartridge filling principle."

The styling of the new pen features a V-shaped tip. It comes in five colors—black, blue, green, beige and vermillion and a choice of six points. The ensemble is \$4.95.

Sheaffer Good Neighbors . . .

(ED. NOTE—This is the first in a series of sketches which will spotlight how Sheaffer employees are helping to make our plant communities better places in which to live by participating in civic activities).

Loren Simmons, a supervisor in the Molding Department, qualifies



as one of Donnellson's most active citizens. He has been mayor since 1957, and this position alone would make him a leader in civic affairs. But in addition, he participates in youth programs as a cubmaster and Little League manager. And his interest in community programs ranges beyond the official duties of his office, since he is a member of the Lions Club, the Conference Board and the Planned Progress Committee.

Loren has been an employee since 1940. He and Mrs. Simmons (Mildred) have two children—Terry, 13, and Skippy, 9. Aside from working on community projects, Loren's spare-time interests include fishing and baseball.

The Question Box

QUESTION: What is your favorite feature in the Review?



MAURICE EMDIA, Maintenance — Stories on mechanical and automatic operations. I've always had a large interest in machinery.



BETTIE DICKEY, Purchasing — I have no special choice. I enjoy it all.



EARL J. FRANCIS, Drafting — The job operations of the departments, because a majority of the employees don't know what is going on in the departments other than the one they work in.



RITA BRANDT, Accounting — The articles telling of the different departments and their functions are interesting as are the ones telling about the individuals who work here.



VOLNA WOODS, Molding — Pictures which show manufacturing processes in the company.



DOLORES JONES, Stenographic — I really have no favorite feature, as I think the Review in general is quite newsy and lets all of us know what is going on in other departments and plants.

SHEAFFER'S

REVIEW

Vol. 12

May

No. 5

Published Monthly in Fort Madison,
Iowa, U. S. A., for

W. A. Sheaffer Pen Company People
Throughout the World

Member: Iowa Industrial Editors'
Association
International Council of
Industrial Editors

EDITOR - - - DICK PRIEBE

Variet Groups Tour Plant

Since the usual spring rush of tours began, various adult and youth groups have visited our main plant.

During the months of March and April visitors included a group from the Burlington Hospital school of nursing, the Mediapolis Study Club, the Dubuque University Choir, students from Iowa Wesleyan, a homemakers club from Chelsea, seventh and eighth grade students from the Argyle School, a school group from Alexandria, Mo., members of an advertising class from Culver-Stockton College, and students from Moravia, Ia.

These groups included over 300 persons.

Letter Reaches Lady Sheaffer

Usually, when the Post Office receives a letter without either a city or street address written on the envelope, the letter is returned to the sender.

But this wasn't necessary with one letter received last month by postal authorities in New York, even though these normally essential facts were missing.

The letter had been sent by a gentleman in Saudi Arabia, and the envelope said only "Lady Sheaffer Skiptser Fountain Pen, USA." In this case, though, it was enough. The letter was promptly forwarded to Fort Madison.

"Please send me one pen jewel crafted treasure with fabric purse case and cartridges," the letter said.

The pen was soon on its way.

May, 1959

Men's Bowling Review . . .

Pen Assembly, Tool & Die Teams Win

Top team honors in this year's men's bowling action went to the Pen Assembly team, which took the league title, and to the Tool and Die quintet, which won the tournament crown. Individual leaders were Ernie Pezley, who had the high season's average, and Bill Stemple, who took the tournament singles and all-events titles.

Complete statistics follow:

League Standings

	Won	Lost
Pen Assembly	55	29
Plating	50	34
Laboratory	50	34
Office	44	40
Engineers	43	41
Tool & Die	36	48
Plant 2	30	54
Pen Point	28	56

League Average

Ernie Pezley	172
Bob Consbrock	168
Clarence Cowles	167
Roy Neal	166
Bill Stemple	165

Individual Game

Ernie Pezley	237
Roy Neal	233
Nelson Weaver	232
Bill Stemple	225

Individual Series

Bob Consbrock	618
Nelson Weaver	605
Ernie Pezley	600
Wayne Hughes	599

Team Game

Laboratory	938
Pen Assembly	902
Tool & Die	874
Pen Point	867

Team Series

Pen Assembly	2581
Laboratory	2572
Office	2522
Tool & Die	2450



ERNIE Pezley (left) and Bill Stemple paced bowlers in the men's league. Ernie had the top average, 172, and the high individual game, 237. Bill took the tournament singles title, with 718, and the tournament all-events, with 1964.

Tournament Singles

Bill Stemple	718
Wayne Hughes	686
Al Hetzer	683
Clarence Cowles	640
Jim Yeast	618
Walter Rippenkroeger	614
Raleigh Hensley	611
Rosie Moore	607
Bob Consbrock	604
Oren White	604

Tournament All-Events

Bill Stemple	1964
Al Hetzer	1903
Wayne Hughes	1872
Walter Rippenkroeger	1849
Clarence Cowles	1848
Bob Consbrock	1847

Tournament Teams

Tool & Die	2945
Plating	2940
Pen Assembly	2881
Miscellaneous 5	2873

Tournament Doubles

Ernie Pezley-Malcolm Evans	1267
Harold DeVol-Bill Stemple	1255
Rosie Moore-Walter Rippenkroeger	1230
Bill Kipp-Grover Senf	1224
Joe Peacock-Gene Wisbey	1205



MEMBERS of the Tool and Die team, whose 2945 total won the tournament title, are (left to right) Roland Hancock, Tom Gunn, Corky Cowles, Oren White and Dale Yantis. Another team member, Nelson Weaver, had moved out of Fort Madison before the picture was taken.

W. A. SHEAFFER PEN COMPANY
301 Avenue H
Ft. Madison, Iowa
Return Postage Guaranteed

M. Nadine Cochran
1323 Ave. D
Ft. Madison, Iowa

Bulk Rate
U.S. POSTAGE
PAID
Ft. Madison, Iowa
PERMIT No. 12

Employee Activities . . .

Bingo Party, All-Company Dance are Held



THESE EMPLOYEES in the Plating and Polishing Department were on the committee which planned the bingo party held at the Clubhouse April 30. Left to right are Virgil Alton, Dorothy Strunk, Art McDaniel, Peryl Kress, chairman, Walt Rippenkroeger, Archie Adkins, Clarence Ingles, Rosanna Kokjohn, Herb Halferty, Les Akers, Leo Zumdome, Charles Bertlshofer, Chester Robinson, Vincil Mead and Charles Campbell.



THE ALL-COMPANY dance, held May 8 at the Elks Club, was planned by a committee of employees from the Tool & Die Division. Committee members are (left to right) Ken Sorensen, James Hull, George Krasuski, Gene Vose, Paul Pohlpetter, Bob Binder, Frank Gillett, Bob Saar and Oren White.

On The Cover

The automatic carton machine at our Skrip plant provides an interesting example of how machines aid production. The operator, Katherine Malin, formerly of Ft. Madison, places the familiar yellow and blue Skrip cartons into a magazine. The cartons are folded, then filled bottles of Skrip writing fluid, shown coming down the line, are placed in them.

Merchandiser Introduced

A new counter merchandiser for our Snorkel pen ensembles, Lady Sheaffer ensembles, decorator desk sets and general desk sets was introduced last month. It features interchangeable, four-color panels describing these products.

The merchandiser is designed to enable dealers to increase impulse sales for quality writing instruments through top-of-the-counter display.

Service Anniversaries

— 25 YEARS —

Raymond Pohlpetter Maint.
Eulah Tull Pen Point
Francis Croskery Repair Parts
Gordon Lane Accounting
Albert Peterson Salesman

— 20 YEARS —

Wesley Frels Planning

— 15 YEARS —

Albert Merschbrock Skrip
Beulah Daly Service

— 10 YEARS —

John Wise International

— 5 YEARS —

Georgina Roberts Skrip
Myrle Britton Plastic Fab.
Don Reisner Salesman

Ad Campaign Set For Coming Months

Our advertising schedule for June, August and September features heavy campaigns for spring-summer gift occasions and the back-to-school market. Top general, school and fashion publications are included. All ads are four-color with the exception of two Skrip-sert pen ads.

The complete schedule:

Lady Sheaffer Collection—Esquire, June, $\frac{1}{2}$ -page; Ebony, June, page; Vogue, June 1, page; Mademoiselle, August, page; New Yorker, September 12, page; Vogue, September 1, page.

Snorkel Pen—Esquire, June, $\frac{1}{2}$ -page; National Geographic, June, page; Life, June 15, $\frac{1}{2}$ -page; Holiday, September, page; National Geographic, September, page; Time, September 6, page; Newsweek, September 13, page; New Yorker, September 19, page; Life, September 7, page; Saturday Evening Post, September 12, page; Ebony, September, page.

Skrip-sert Pen—Reader's Digest, June, page; Life, August 17, page; Reader's Digest, September, page; Saturday Evening Post, September 5, $\frac{1}{2}$ -page; Scholastic, September 16, page; Scholastic, September 23, two-thirds page, black and white; Boys' Life, September, page; American Girl, September, page; Young Catholic Messenger, September 14, page, black and white; This Week, Parade, September 6, $\frac{1}{2}$ -page; independent supplements, 1st Three Markets, September 6, $\frac{1}{2}$ -page.

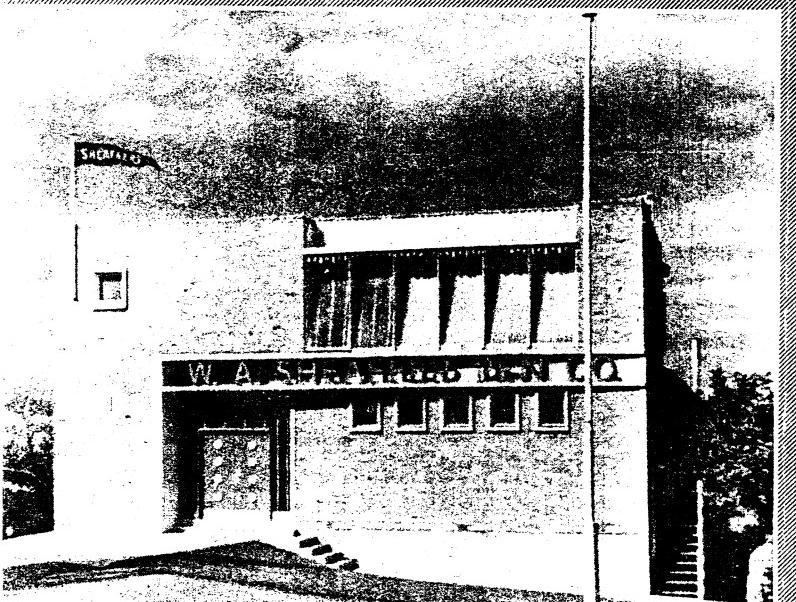


Sheaffer da Ind.
INDUSTRIAL E IMPORTAÇÃO LTDA
SÃO PAULO - RIO DE JANEIRO

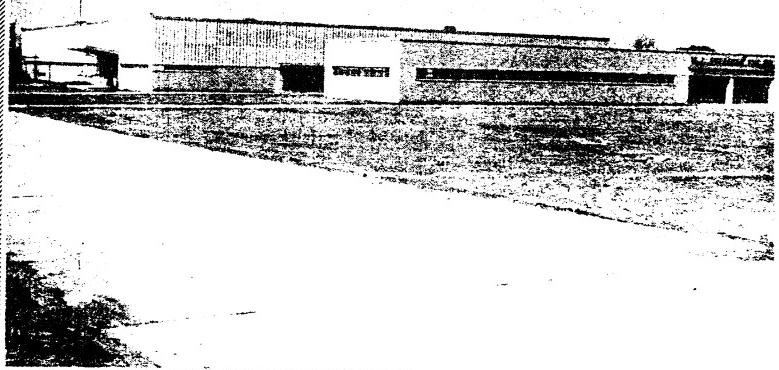
SHEAFFER'S

Review

JUNE 1959



W. A. SHEAFFER & CO



SHEAFFER'S REVIEW

Vol. 12 June No. 6

Published Monthly in Fort Madison,
Iowa, U. S. A., for

W. A. Sheaffer Pen Company People
Throughout the World

Member: Iowa Industrial Editors'
Association
International Council of
Industrial Editors

EDITOR - - - DICK PRIEBE

On The Cover

Operations of the Sheaffer Pen Co. now extend throughout the free world. The plants of three of our main foreign subsidiaries are shown on the cover. The top two pictures are of our newest subsidiary in Sao Paulo, Brazil, which is now turning out Sheaffer writing instruments for the Brazilian market. Lower (right) is our plant in Goderich, Ontario. Lower (left) is our plant in Melbourne, Australia. (See article on pages 4 and 5).

Steel and Your Pocketbook

TO DAY, if you set out to buy a group of kitchen appliances—range, refrigerator, etc.—they will cost you at least twice as much as they did in 1940. And materials we use to manufacture writing instruments cost our company several dollars for every dollar they cost in 1940. As pointed out in the February issue, a screw machine priced at \$1,200 in 1942 sells for \$9,000 today.

One of the big factors in this sky rocketing of prices over the last 20 years has been increases in the cost of steel, because steel is used in a large percentage of the products we buy for our homes and the equipment we need on our jobs.

And that's why the current contract negotiations between the steel companies and the United Steelworkers are of more than passing interest to all of us. We all have a stake in the question of whether or not the latest wage demands of the steelworkers cause another increase in the price of steel. Because if they do, we'll have to pay even more for those kitchen appliances, and the profits of our company will be further affected by increased material costs.

In the steel negotiations, you hear a lot about cost-push inflation. This is a term economists are using to describe what happens when wages and other production costs are pushed up more rapidly than productivity.

Let's say a steelworker is earning \$3 an hour and,

From the editor's notebook . . .

BEHIND THE ADS—In recent Reviews, our ad schedule for coming months was outlined. The emphasis, as you'll recall, was on spring months (April, May, June) and late summer (August, September).

These facts are behind concentrating our marketing effort in this way:

- (1) It was estimated that retail sales for Mother's Day this year would reach \$900 million.
- (2) The estimate of Father's Day retail volume is \$400 million.
- (3) There were more graduates this spring than the over 4 million who were graduated from schools last year.
- (4) June, August and September are top wedding months.
- (5) The number of students returning to school in the fall will exceed the over 44 million who enrolled last year.

* * *

YOUNGSTERS AND \$\$\$—As you know, we have been focusing heavy effort on the youth market, both in our regular programs and with the special student promotions. This does more than building future customers for our products, because teen-age spending now amounts to more than \$9 billion a year and is growing.

Recent studies conducted by Scholastic Magazines showed that our products have made sizeable popularity gains among junior and senior high school students. In 1956 and last year, Scholastic asked students: "What brand of fountain pen do you own?" Here are the results:

Junior high school boys—In 1956, 21.7 per cent said Sheaffer. In 1958, 35.3 per cent, Sheaffer; the nearest competitor, Parker, 17 per cent.

Junior high school girls—In 1956, 19.4 percent, Sheaffer. In 1958, 42.6 per cent, Sheaffer; Parker, second, 15.9 per cent.

Senior high school boys—In 1956, Sheaffer, 21.9 per cent. In 1958, Sheaffer, 38 per cent; Parker, second, 28.6 per cent.

Senior high school girls—In 1956, Sheaffer, 19.5. In 1958, Sheaffer, 43.3 per cent; Esterbrook, second, 20.1.

with the equipment he has, can produce 30 units of steel an hour. The labor cost of each unit is 10 cents. If his wages are increased to \$3.25 an hour, while improvements in equipment only allow for a production increase to 31 units an hour, the labor cost of each unit becomes 10.5 cents. For every million units, this would mean a cost increase of \$15,000. As this process is repeated, the added costs must be passed on to customers or the company goes out of business. This is cost-push inflation.

Now, the steelworkers are talking about increases in wages and benefits that could cost as much as a billion dollars. Union officials say the demands can be met out of increased productivity and will not be inflationary. They also say the real cause of cost-push inflation over the last 20 years has been rising industrial profits and not rising wages.

But the figures show that, from 1940 through 1957, hourly employment costs in the steel industry have gone up an average of 7.6 per cent each year, while output per man hour has risen only 2.6 per cent each year.

Figures also show that, from 1942 to 1957, wages for all industry have risen 89 per cent, while profits have gone up only 50 per cent.

All of us are customers of the steel industry. It's to be hoped the steelworkers and the steel companies keep our interests in mind. We're all at the bargaining table.

Shall We Survive?

The article on this page is from a speech given at the May Management Club meeting by Dr. Nicholas Nyaradi, former minister of finance for Hungary and now director of the Institute of International Studies at Bradley University. Dr. Nyaradi knows personally the leaders of Europe's free countries, as well as the top men in Russia's Kremlin. His answer to the question, "Shall We Survive?", is well worth careful thought.

By Dr. Nicholas Nyaradi

DUE TO Russia's economic and ideological weakness, I am convinced the Kremlin leaders will not dare to start a war except in utter despair. However, what keeps them from starting a shooting war against us is more than just this. I have known personally more Soviet leaders than practically any other Western statesman or diplomat. And I know that on the basis of the Marxian doctrine they are convinced that in order to achieve their main and only goal—our total destruction—they will not have to go to war, as our country will collapse from within, under what they think are our own internal difficulties and contradictions.

The only reason we are not in a shooting war with Russia today is that the Soviet leaders know very well that in case of such a shooting war the Russian economy would never be able to match the incredible superiority of American industry and the unparalleled production of American agriculture. Therefore, as long as we keep up and expand our economy, its health, production and prosperity, this will actually be our best guarantee against seeing our own American Toms, Dicks and Harrys dying in the foxholes of World War III.

The problem ahead of us is very simple: Free enterprise or disaster. This greatest asset of ours is actually in the greatest possible danger right today. If we let things drift as they are drifting now, then, believe me, you gentlemen in this audience in some 10 or 15 years will receive your pay checks from the Federal Government, or

eventually, a State Government, as our whole economy by that time might be socialistic. And if we are once on this downgrade, and through the gradual weakening of the free enterprise system, the door will be open to communist aggression—against everything that we stand for and cherish.

In order to achieve our goal we have to increase the knowledge and the appreciation of the American people toward this incredible American economic system. Our economy will continue to operate only if the American people will be convinced that this is the best economic system in the world. And, today, it is appalling to see to what an extent the American people neither know the blessings nor understand the workings of the American economy.

The American people take it for granted that we, who are 6 per cent of the population of the world, can have 75 per cent of all the automobiles in the world and 58 per cent of all the telephones, and that any small town here can have more refrigerators and dish washing machines than Paris, Moscow, London and Berlin put together.

Always remember that in our national elections only about half of those who have the right to vote actually go to the polls. If this won't stop immediately, as a consequence of a tremendous program of education within and without our schools, something terrible will happen. The day might come when a little more than half of those voting—actually only 26 per cent of the total electorate—might vote in a socialistic, facist or even communist system overnight, legally,

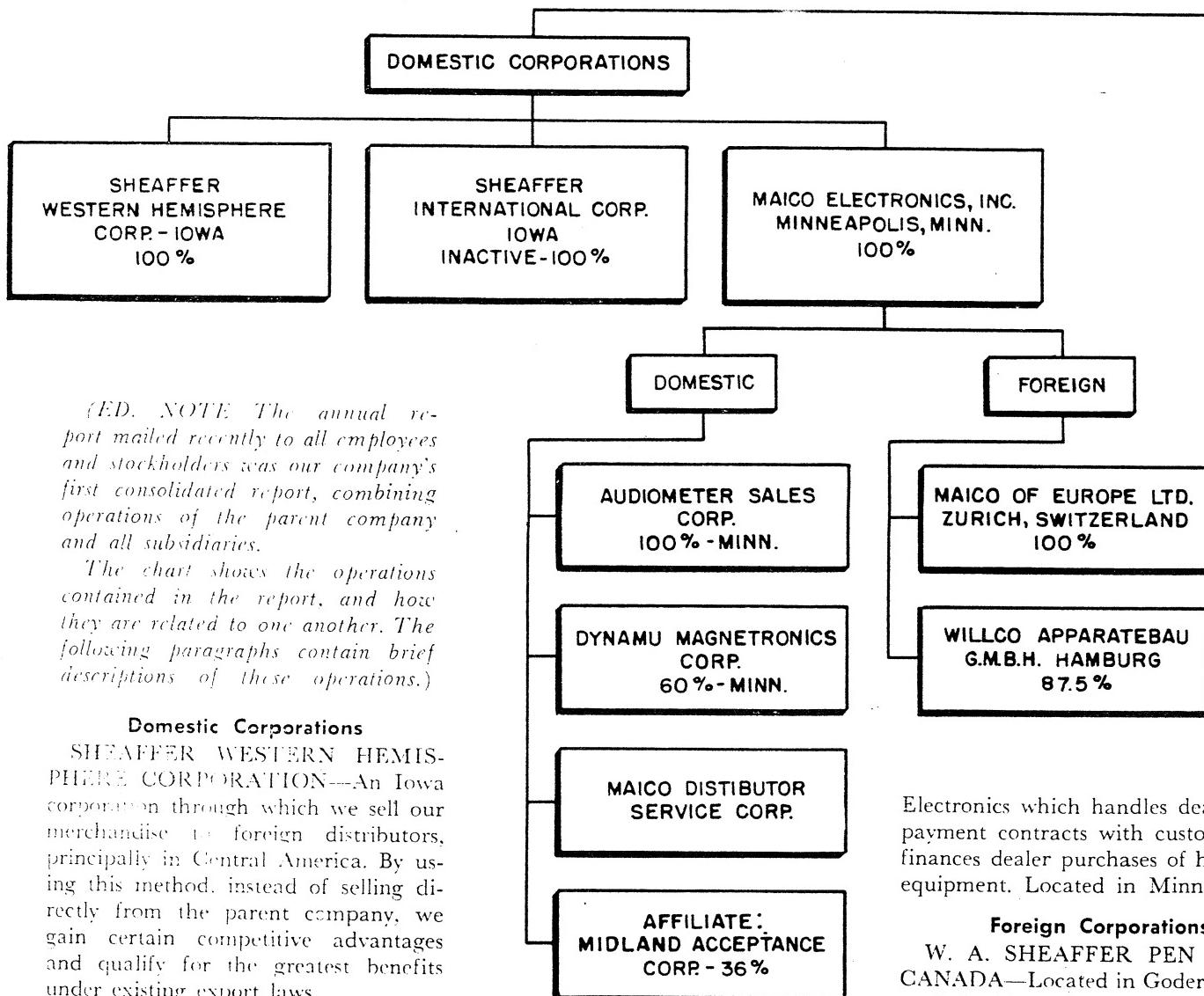
rightfully and constitutionally, and we wouldn't be able to do anything about it.

If you would be willing to engage in this crusade of love and campaign of appreciation, I would like to ask you not to miss one single opportunity to tell your people about the privileges among which we are permitted to live here in America. If I am telling you about our privileges, I am not talking about your refrigerators, dishwashers and washing machines. I am not even mentioning our food markets or the abundance of food in them and the waste which could feed an entire city in Hungary for a month: but I want to say this: when I talk to you about privileges I speak about a privilege which no one single American friend of mine has ever even thought about.

This is your privilege—that tonight you will go home to bed and tomorrow morning you will wake up in the same bed. Behind the iron curtain, between midnight and 4:00 A.M. are the hours of terror and anxiety. This is the time when the secret police go out for their raids. They surround houses, streets, districts, and entire cities and towns and take the people to the concentration camps, to the jails and to the gallows. In these hours of the night if a fist knocks on your door, you sit up and your heart beats up in your throat as you don't know whether it is you who have to kiss your beloved ones goodbye or whether it's only your neighbor whom they are dragging away. You, my happy fellow American citizens, certainly don't know this feeling.

There is nothing we can give our children but the greatest gift on earth: American citizenship. But this will be of value to them only if all of you see to it that this American citizenship for our young generations means the same thing it means to you, as it was founded by your forefathers and handed over to you by your ancestors. Your responsibility is tremendous, as your work is the only guarantee that our Johnny and Eva Mary and your Johnnys and Marys and the millions and millions of Johnnys and Marys in this great country will grow up and live in a free, strong and happy America.

W.A. SHEAFFER PEN CO.
FORT MADISON,
DELAWARE, CO



(Ed. Note: The annual report mailed recently to all employees and stockholders was our company's first consolidated report, combining operations of the parent company and all subsidiaries.)

The chart shows the operations contained in the report, and how they are related to one another. The following paragraphs contain brief descriptions of these operations.)

Domestic Corporations

SHEAFFER WESTERN HEMISPHERE CORPORATION—An Iowa corporation through which we sell our merchandise to foreign distributors, principally in Central America. By using this method, instead of selling directly from the parent company, we gain certain competitive advantages and qualify for the greatest benefits under existing export laws.

MAICO ELECTRONICS, INC.—Located in Minneapolis, Minn. Manufactures hearing aids, audiometers and miniature electronic devices for sale to U. S. markets and export throughout free world. Also government contract work in electronics.

AUDIOMETER SALES CORPORATION—A wholly-owned subsidiary of Maico Electronics. Sells complete line of audiometers (electronic devices for checking hearing). Distributes through U. S. hospital supply and audio-visual supply houses. Housed in Maico plant in Minneapolis.

DYNAMU MAGNETRONICS CORP.—A division of Maico Electronics (as Tool and Die is division of

parent company). Manufactures tape recording, erase and playback heads. Distributes primarily to U. S. manufacturers of tape recording equipment. Housed in Maico building in Minneapolis.

MAICO DISTRIBUTOR SERVICE CORP.—A repair department of Maico Electronics, located in Albany, N. Y. Services eastern distributors of hearing aids and audiometers, making it unnecessary for equipment to be returned to Minneapolis for servicing.

MIDLAND ACCEPTANCE CORPORATION—An affiliate of Maico

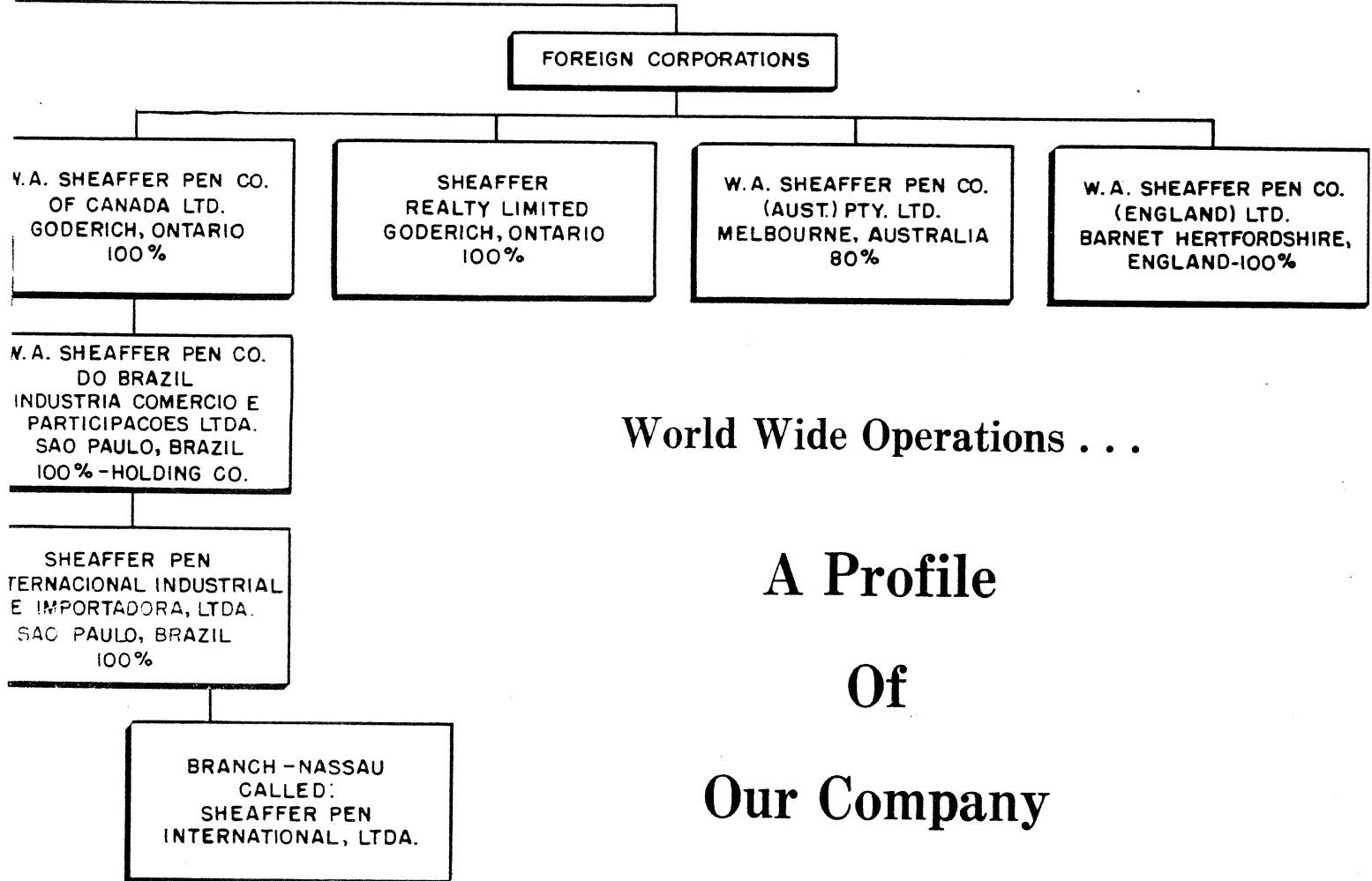
Electronics which handles dealer time-payment contracts with customers and finances dealer purchases of high-value equipment. Located in Minneapolis.

Foreign Corporations

W. A. SHEAFFER PEN CO. OF CANADA—Located in Goderich, Ont., on Lake Huron, north of Detroit, east of Toronto. Population of Goderich is 5,000—about size of Mt. Pleasant. Manufactures complete line of Sheaffer writing instruments. Distributes principally to Canadian markets, but also exports to Europe, Far East, Caribbean countries.

SHEAFFER REALTY LIMITED—Owns building in which Sheaffer Pen Co. of Canada is located. (At time Canadian manufacturing subsidiary was started, it was beneficial to have this arrangement.)

SHEAFFER PEN INTERNACIONAL—Located in Sao Paulo, Brazil, one of Brazil's two largest cities (along with Rio de Janeiro) with population of 3 million. Located in southeast



World Wide Operations . . .

A Profile

Of

Our Company

Brazil about 4 miles from Atlantic Ocean. On plateau, 3,500 feet above sea level. Company manufactures Sheaffer writing instruments in medium-priced range. Distributes to Brazilian market.

W. A. SHEAFFER PEN CO. do BRAZIL—A holding company which holds stock of Sheaffer Pen International. This arrangement, again, allows for the most efficient operation under existing laws.

SHEAFFER PEN INTERNATIONAL—A branch sales office of the manufacturing subsidiary in Sao Paulo. Located at Nassau, Bahamas, about 150 miles off coast of Florida. Handles sales of Sheaffer products to all international markets from all manufactur-

ing sources. Profits from these sales are destined for future foreign investment.

W. A. SHEAFFER PEN CO. PTY., LTD.—Located in Melbourne, Australia, one of two largest cities in the Land Down Under (along with Sydney) with population of 2½ million. Located in south eastern Australia. Company manufactures complete line of Sheaffer writing instruments. Distributes throughout the British Commonwealth, exclusive of Canada. Chief customer is our subsidiary in England, W. A. Sheaffer Pen Co., Ltd.

W. A. SHEAFFER PEN CO., LTD.—Located in Barnet, Hertfordshire, England, near London. Primarily a sales subsidiary, but manufactures ac-

cessory items such as Skrip writing fluid. Distributes to Great Britain. Exports Skrip writing fluid to Commonwealth countries.

FOREIGN LICENSEES — Not shown on the above chart are foreign firms with which we have licensing arrangements. We have no investment in these firms but gain a share of their profits from the sale of Sheaffer merchandise. These include 13 companies which buy Skrip writing fluid concentrate made in Fort Madison or England and bottle it. They also include two licensees which manufacture and assemble certain Sheaffer writing instruments—Jade-Drake, Utrecht, Holland, and Packard. Ralph Mengel, Buenos Aires, Argentina.

Attention Camera Fans . . .

7th Annual Photographic Contest Begins

The seventh annual photographic contest for Sheaffer employees has officially begun. So on your marks, and happy focusing.

Again, the contest is open to Sheaffer employees throughout the world. It will close Sept. 15, and winners will be announced in the November issue of the Review.

For the first time prizes will be awarded in three classes—black and white prints, color prints and color slides. The first prize in each class will be a \$25 savings bond. (If the winner is from outside the United States, the purchase price of a bond will be given in cash). Second prize winners will receive checks for \$10; third prize winners will receive checks for \$5. Duplicate prizes will be awarded in case of ties. Pictures which have special merit but which are not awarded prizes will receive honorable mention.



Judges will be members of the activities committee. Judging will be done by number, so that names will not be involved until winners have been selected. The decision of the judges will be final.

There is no limit on the number of prints each employee may enter. Entries should be sent to the Public Relations Department, Ft. Madison. Write your name and department number or address on a slip of paper and attach the slip to each entry. Do not write your name on the backs of pictures or on slides.

Any picture taken by an employee since last year's contest closed will be eligible for a prize. Prints that have been retouched in any way will be disqualified.

All entries will be returned to their owners as soon as the winners have been announced.

Sheaffer Good Neighbors . . .



(ED. NOTE—This is the second in a series of sketches on the civic activities of Sheaffer employees).

As a member of the West Point Town Council, Norb Harmeyer participates directly in community government. He is also a member of the Community Club committee which is planning and directing improvement of the town's ball park grounds. Last year, Norb was parade chairman of West Point's Sweet Corn Festival, an annual community highlight.

A scheduler in the Production Control Department, Norb has been an employee since 1942—with a 30-month interlude for military service. He lists golf and bowling as his favorite sports. He and Mrs. Harmeyer (Donna) have five children—Sue Ann, 8; Patti, 7; Jon, 4; Joan, 2, and Kathleen, 1.

The Question Box

QUESTION: What question do others most often ask you about our company and our industry?



ERNEST BARTLETT, Pen Point—Why does Sheaffer charge more than shipping and handling charges for servicing Lifetime products? Why do Sheaffer ballpoints cost more than the competitors' products?



ANNETTE DAVIS, Traffic—How business is in general and about our new products. If we think we will ever manufacture a less expensive ballpoint.



FLOYD HANCOCK, Plastic Fab. & Final Assembly—What keeps your company on top in the writing instrument industry?



MERLE STONE, I.B.M.—Do our products compare favorably in quality and price to that of our competitors and why we do not have a cheaper ballpoint in particular?



EARL M. ROKEY, Metal Fab.—Have Sheaffer's ever considered making another product? Where do all the pens and pencils go?



ROSE MAY BRIGGS, Accounts Receivable—Where does your company sell all of the fountain pens they make?

*The Only Good
Vacation is a
Safe Vacation
Drive Carefully*

New Molding Machine Has Latest Features

A new molding machine with the latest safety and performance features was recently installed in our Molding Department.

It has many built-in safety features, including a photo-electric cell which keeps the machine from closing completely if anything is wrong. This protects employees and also prevents damage to dies, which range in price from about \$7,000 to \$12,000.

It has a larger die size than previous similar machines and is capable of molding a larger variety of parts.

News Notes

New officers of the Management Club are Dick Canella, accounting, chairman; Clarence Weilbrenner, Pen Point, vice-chairman, and Bob Rhode, Laboratory, secretary-treasurer. They were named in an election held last month.

* * *

Three representatives of the Russian paper industry toured our main plant early in June. They were Vladimir Malyutin of the Moscow Pulp and Paper Institute; Mihail Kopantsev, Kalingrad Economic Area, and Pavel Ivanov of the Moscow Economic Area. The visitors had come to Fort Madison primarily to visit Crandon Paper Mills. None had ever seen how a fountain pen is made, and they wanted to see our operations also.

* * *

Our display won the prize as the outstanding one at the annual New

Haley, Consbrock Win Doubles Tourney



DOUBLES WINNERS—Left to right, Bob Consbrock, Drafting; Kaye Haley, International; Raleigh Hensley, Pen Point; Erma Terry, Plastic Fab; Martha Merschbrock, Shipping; Roland Hancock, Tool and Die; Cathryn Motes, International; Bernard Groene, Stock Room. Missing from the picture are Lorena Wilcox, Gold Nib; Harold Moore, Desk Stand, and Howard Criswell.

Other winners were Martha Merschbrock, Shipping, and Raleigh Hensley, Pen Point, third, 1164; Cathryn Motes, International, and Roland Hancock,

Tool and Die, fourth, 1160; Erma Terry, Plastic Fab, and Harold Moore, Desk Stand, fifth, 1158; and Cathryn Motes and Bernard Groene, Stock Room, sixth, 1141.

Accounting Employees on Picnic Committee



York Stationers' Show, held last month. One of the leading shows of its kind, it attracts manufacturers and dealers from all over the nation.

* * *

E. F. Buryan, vice-president of marketing, has been named chairman of a new ball pen standards committee of the Fountain Pen and Mechanical Pencil Manufacturers' Association. The committee is making recommendations on industry-wide minimum standards for ball pen inks and cartridges.

EMPLOYEES of the Accounting Division planned the all-company picnic, held June 13 at Employees' Park. Those who had charge of various activities are (left to right) Harold Pratt, parking; Louis Pogge, food; John Kroes, pop; Dick Canella, children's activities; Adrian DeHaan, bingo; Osa Wilsey, financial; Howard Herold, general chairman; Tom Mallaro, coffee; Paul Pohlmeier, food; Bill Knobbs, horseshoes; Darrel Klauenberg, bingo. (More pictures on the picnic will appear in the July issue.)

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5 Employees Complete 30 Year's Service



FIVE EMPLOYEES who have completed 30 years of service last month received gold desk sets from Pres. W. A. Sheaffer II. They are (left to right) Les Warson, senior inspector, Pen Point; Helen Kistler, Cashiers; Nadine Cochran, Metal Fab; Emery Folker, Accounting, and Leonard Frantz, corporate secretary.

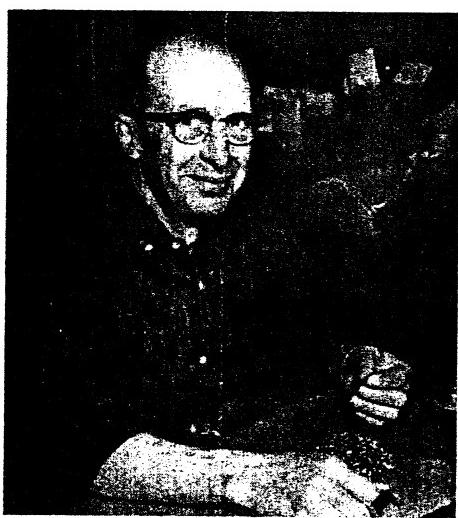
Hilda McMillan, Lawrence Smith . . .

Observe Long Service Anniversaries



In JUNE, 1919, Hilda McMillan took a job in the Pen Point Department with the idea of quitting a short time later to return to school. But the job has become more than temporary. This month, Hilda observed her 40th service anniversary.

Hilda's biggest thrill was receiving her first profit-sharing check. It was in the depression years and cash was pretty short, she says. "We didn't expect it, and it was really a surprise."



WHEN Lawrence Smith came to work in the Pen Point Department on June 12, 1924, he thought his job would last "maybe three or four years. I was sure the market would be flooded with pens by that time," he says.

When he first started, all operations were done by hand, Lawrence says, "and we worked 9 hours a day 5½ days a week. Mechanization has been the big change since I started working. Without it, we wouldn't have been able to keep up with the demand I once thought would never materialize."

Service Anniversaries

— 30 YEARS —

Nadine Cochran—Metal Fab.
Emery Folker—Special Accounts
Lester Warson—Quality Assurance

— 25 YEARS —

Anna Still—Service
Edna Berens—Service
Rose Williams—Quality Assurance
James (Pete) Logsdon—Quality Assurance

Ernest Skinner—Quality Assurance
Frank Griswold—Pen Point
Harold (Toby) Warson—Pen Point
Jack Richmond—Tool

— 15 YEARS —

Mercedes Hamrick—Molding
Beatrice Masters—Prod. Control
Rosaline Kuhlmeier—Service
Zelma Lancaster—Service
Inez Coleman—Stock Room
Grace Lemmon—Cafeteria
Zelma Sutphen—Purchasing

— 5 YEARS —

Mildred Roush—Pen Point

Maico News . . .

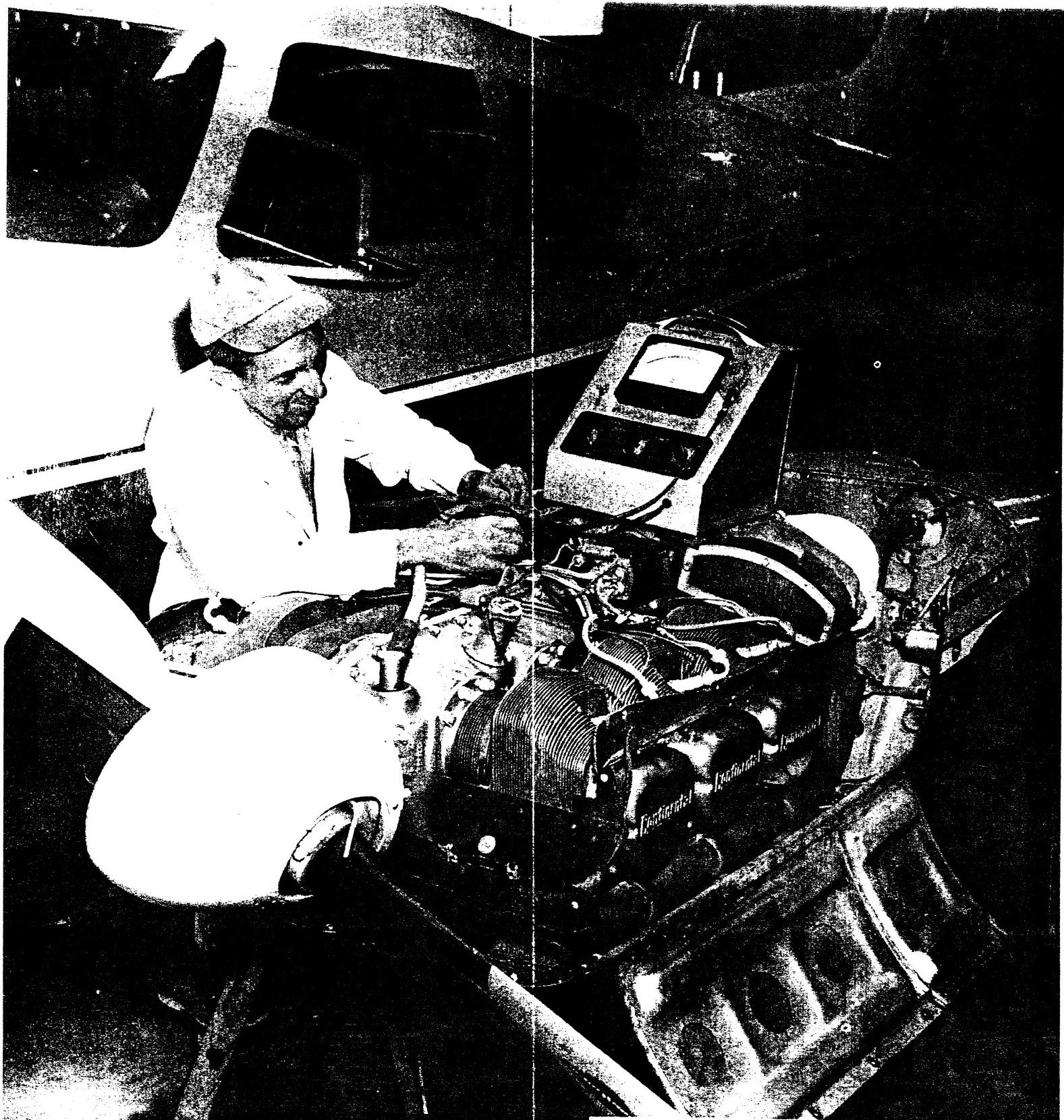
A new audiometer, small enough to be hand-held, was introduced by Maico this month at the annual American Medical Association convention. Called the "Two-Tone Hearing Check," it uses two sound tones, enabling a doctor to determine in less than one minute whether a patient's hearing is normal.

* * *

A Maico hearing check test booth has been set up in Grand Central Station, New York City. Visitors to the booth can take free hearing tests. Those with hearing troubles can arrange appointments with Maico dealers.

* * *

New Maico dealers met in Minneapolis last month for the annual sales training school. There were 42 at the sessions.



SHEAFFER'S

Review

JULY 1959

SHEAFFER'S REVIEW

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Throughout the World

Member: Iowa Industrial Editors'
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EDITOR - - - DICK PRIEBE

On The Cover

One of the two 240-horsepower Continental engines on the company's Cessna 310B is inspected by mechanic Charles Scheetz, an employee of Lindner Aviation, which operates the Fort Madison airport. Company planes are given regular inspections—after every 50, 100 and 1,000 hours of flying time.

From the editor's notebook . . .

A LOT OF DOUGH AND AN ICEBERG—From the time wheat leaves the farmer's field until it winds up in your kitchen as a loaf of bread, 151 separate taxes have been applied to it. (That's not a typographical error—151 is right.)

And for Sheaffer husbands who wince when the good wife comes home with a new hat (ala Dagwood Bumstead), here's more fuel for the fire: There are 150 separate taxes on ladies' hats.

Next time you pull into a gas station, mull this over: Gasoline would sell for about 2 cents a gallon, if it weren't for taxes. And speaking of cars, well over \$200 in taxes are collected on the lowest priced models before they ever leave the factory.

These are examples of "hidden" taxes. As one writer observed recently, our tax load is like an iceberg—the greatest hunk is concealed beneath the surface.

And until we insist that the government cut down on spending, the iceberg will grow.

* * *

\$50 HAMBURGER?—Most of us, it seems, don't get too excited about inflation until we see an example of what it does to our pocketbooks. Here's one such example which gets more frightening as you think about it:

In 1918, 1,000 French francs were worth \$200. Today, it takes 84,000 francs to make \$200. So what, you say, because we aren't paid in French francs anyway? Well, if the same thing had happened to the dollar, a low-priced car would now cost \$250,000 and \$100 would buy two pounds of hamburger.

It didn't happen; but it could. The dollar you had in 1939 is worth 50 cents now. And the future spending plans some politicians are talking about can only mean more inflation. We'll venture the French citizens of 1918 didn't think it could happen either.

* * *

THEY SAID IT COULDN'T BE DONE—"Somebody said it couldn't be done—But he, with a grin, replied . . . He'd never be the one to say it couldn't be done—Leastways, not 'til he tried. So he buckled right in, with a trace of a grin: By golly, he went right to it. He tackled the thing that couldn't be done! And he couldn't do it."

The Price of Ballpoint Pens

IN LAST month's Question Box column, several participants indicated others often ask them about the price of our ballpoint pens—why we don't sell them for less; or why they cost more than the ballpoints of many competitors.

These questions get back to what determines the selling price of any product. As listed in an earlier issue, they are: (1) cost of goods and services bought from others; (2) cost of human energy (wages, etc.); (3) cost of taxes; (4) cost of tools wearing out (depreciation, etc.); (5) cost of using the tools (profit).

If we want to sell a particular ballpoint pen for less than its present price, we have to lower some of these costs. By the same token, when some of our competitors sell their ballpoints for a lower price than we do, it means these five costs add up to less for them than they do for us.

Let's examine this point for a moment. As you'll recall from our display of competitors' products, and as you've undoubtedly noticed from magazine advertise-

ments, there are numerous brands of ballpoint pens which sell for less than \$1—some for a great deal less. The question is, why are the five costs which make up this price so low?

Well, the cost categories which make up selling price include such items as employee insurance programs, cafeterias, recreational facilities, etc. Many of the companies which manufacture extremely low-cost ballpoint pens have modest plants, ranging from back rooms in garages on up. They do not have employee benefit and recreational programs.

Wage scales are low. Inspections, quality control and research are cut to the bone so only a few employees need be paid for performing these tasks.

The contrast between these operations and ours is immediately apparent. We cannot match their prices. Nor would we want to. The success of our company has resulted from selling top quality products at a fair price, considering that we must make a profit to stay in business. This is the only sound course for future growth.

Costly Attitudes in Washington . . .

Taxes Aren't All That Cut Your Income

The most obvious way the federal government takes money out of our pockets is through income taxes. But we can lose dollars of income through a whole host of less apparent attitudes and actions of government officials.

For example, we all have a stake in the growing trend toward government restrictions of business and interference with our free economy.

These actions have one inevitable result: They make it more difficult for our company and other companies to operate profitably. This, in turn, makes it more difficult for a company like ours to expand, and to provide jobs and paychecks.

Below, in question and answer form, one current example of anti-business activity in Washington is discussed.

QUESTION: In the current session of Congress, legislation was proposed which would restrict a company's freedom to price its products. What's behind this move?

ANSWER: Those who favor such legislation claim that price increases cause inflation and make our dollar less valuable. But this is like saying that wet streets cause rain. Higher prices are a result, rather than a cause, of inflation.

QUESTION: How would the proposed legislation restrict pricing?

ANSWER: First of all, fortunately, the bills on pricing restrictions do not have enough support to pass during this session of Congress. But similar legislation will almost surely be proposed in the future, and its chances will get increasingly better unless larger numbers of us oppose the idea that it's good politics to hamper business.

The most-talked-about bill would make it legally necessary for the leading companies in 636 different industries, including writing instruments, to notify the government of all price increases 30 days in advance and to explain the reasons for these increases in public hearings before putting them into effect.

QUESTION: How would such provisions affect a company like ours?

If you oppose ideas, bills or programs being discussed in Washington, the best way to do something about it is to write to your senators and representatives. You should direct these letters to the following:

Iowa—The Honorable Bourke Hickenlooper, Senate Office Building, Washington, D. C.; The Honorable Thomas E. Martin, Senate Office Building; The Honorable Fred Schwengel, House Office Building.

Illinois—The Honorable Paul Douglas, Senate Office Building; The Honorable Everett Dirksen, Senate Office Building; The Honorable Edna Oakes Simpson, House Office Building.

Alice Hirschler . . .
41st Service Anniversary



This month, Alice Hirschler, Pen Point, observed her 41st service anniversary.

She's witnessed most of our new product developments in that time, and one might think she'd find it difficult to name a favorite. But she has a quick answer to that question. "Why, my favorite product is a good one, of course," she says. Then, she adds that the Snorkel pen is the best of them all, in her opinion.

Her biggest thrills? Two rank high: receiving her first profit-sharing check and, some years later, her 30-year desk set.

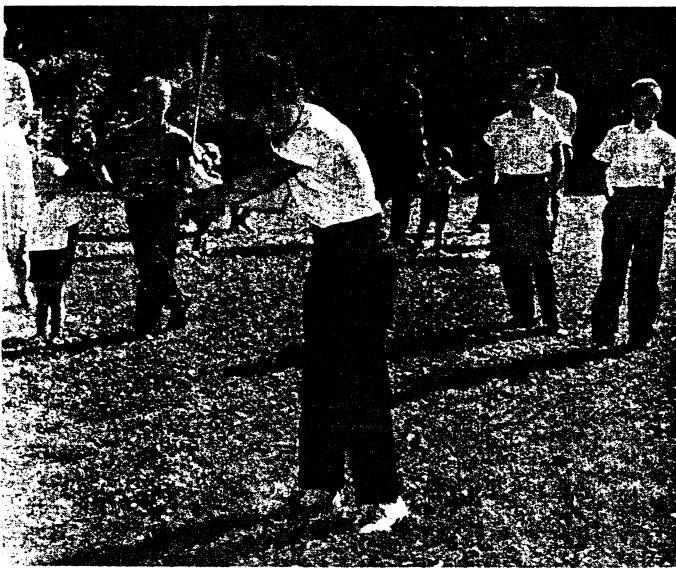
Two Maico Operations Omitted Last Month

In last month's feature describing the operations of our company, the foreign plants of Maico Electronics were omitted from the text, although they were shown on the chart. They are:

MAICO OF EUROPE, LTD. —A distribution center for Maico, located in Zurich, Switzerland. Activity now limited to sales in Zurich area.

WILLCO APPARATEBAU— Located in Hamburg, Germany, which has population of 1 million and is one of chief seaports of Western Europe. Company manufactures hearing aids and audiometers, and some tools on special order. Distributes throughout free world to compliment export sales from Minneapolis.

Review Camera . . .

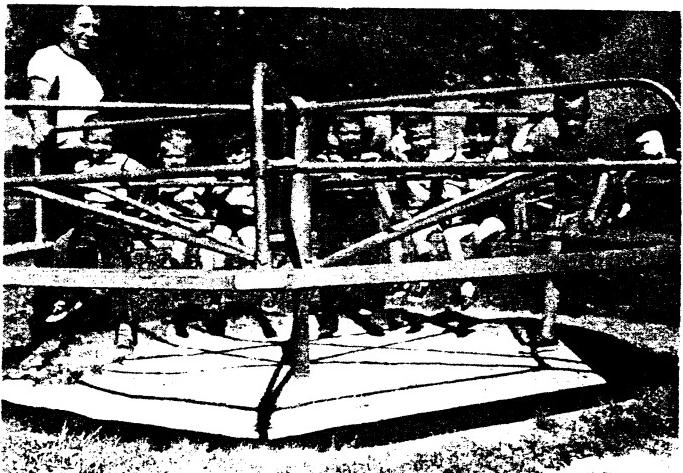
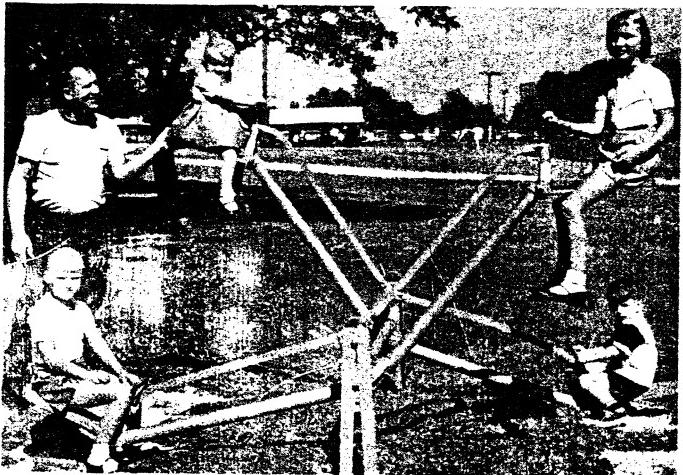


THERE were games, which gave young Sheaffer athletes a chance to show their skill and energy.

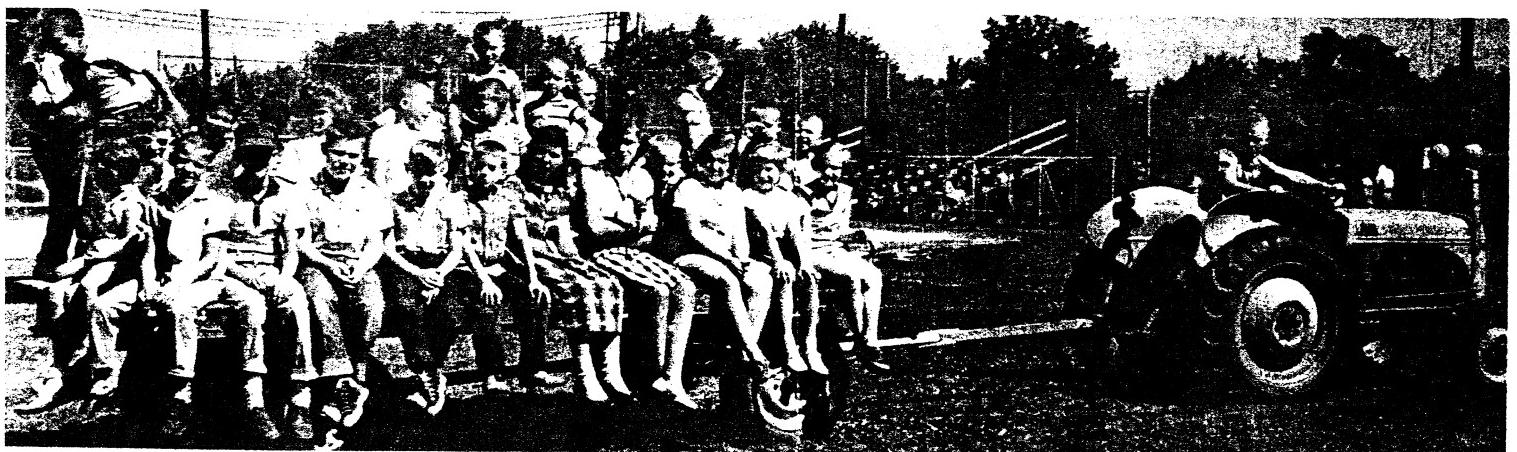


THERE was food, of course . . . and where does all that pop go? . . . Did someone say Bingo?





IT'S fun to ride, especially on a pony or behind a tractor. These pictures prove the point.



A MODEL airplane demonstration was an added attraction.



*. . . At the
Annual
Picnic*

Over 500,000 Air Miles in 3 Years . . .

Company Planes Save Time of Key Personnel

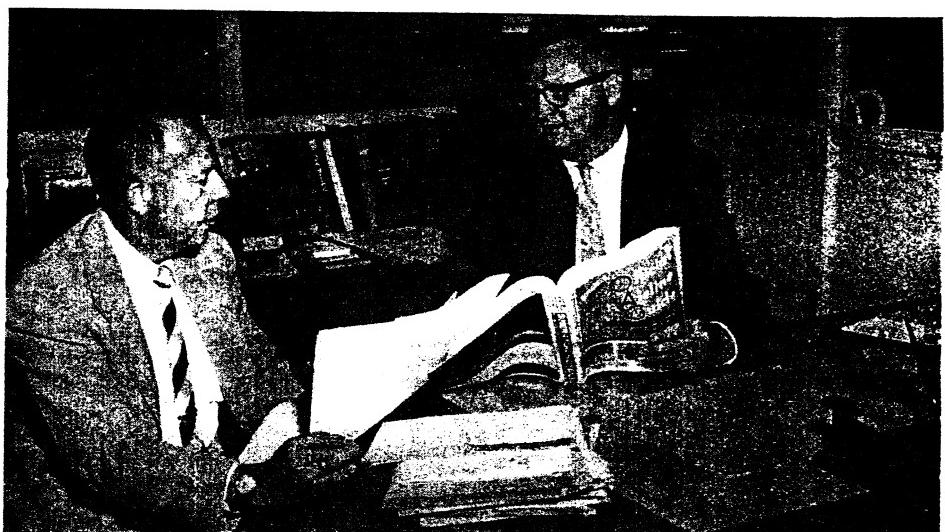
Since 1956, our company has been among the almost 8,000 U. S. firms who now operate their own airplanes.

This trend in industry has resulted from a growing need for fast travel that closely links main plants to other operations, as well as to dealers, salesmen and suppliers, and reduces as much as possible the necessary travel time for key personnel.

For example, a Sheaffer executive who must attend an important meeting in San Francisco, 2,000 miles from Fort Madison, need be away from his desk for only about 24 hours by using a company plane to and from Chicago and a commercial flight for the remainder of the trip. The next best method, a combination of train and commercial aircraft, would add 10 hours of travel time. Using the train only would add 70 hours.

Our company owns two planes, a Cessna 310, purchased in 1956, and a Cessna 310B, purchased in 1958. Both are twin engine, 5-place aircraft with cruising speeds of 190 miles per hour and top speeds of 235 miles per hour.

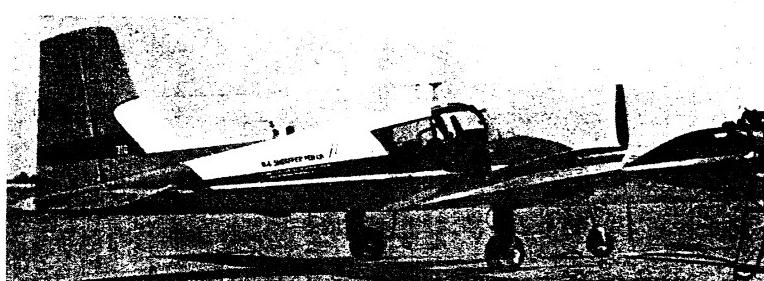
The first plane has flown over 370,000 miles, or about 15 times around the earth. The newer plane has logged over 170,000 miles. They have already enabled company personnel to spend several thousand hours in the office that would otherwise have been spent traveling. They have also assisted in production emergencies by delivering replacement parts in a fraction of the time that would have been necessary otherwise.



TRAFFIC Manager Jack Finley (right) and Assistant Manager Ralph Cramer schedule flights in company planes and set up travel itineraries for all personnel. Both the Cessna 310 and Cessna 310B are in use practically every work day of the year. Pilots are members of Traffic Department.



BOARD Chairman C. R. Sheaffer (right) and Specialty Sales Manager Hugh Green are among company personnel who save travel time through using the company planes. Here they board the Cessna 310B in front of the company hanger.

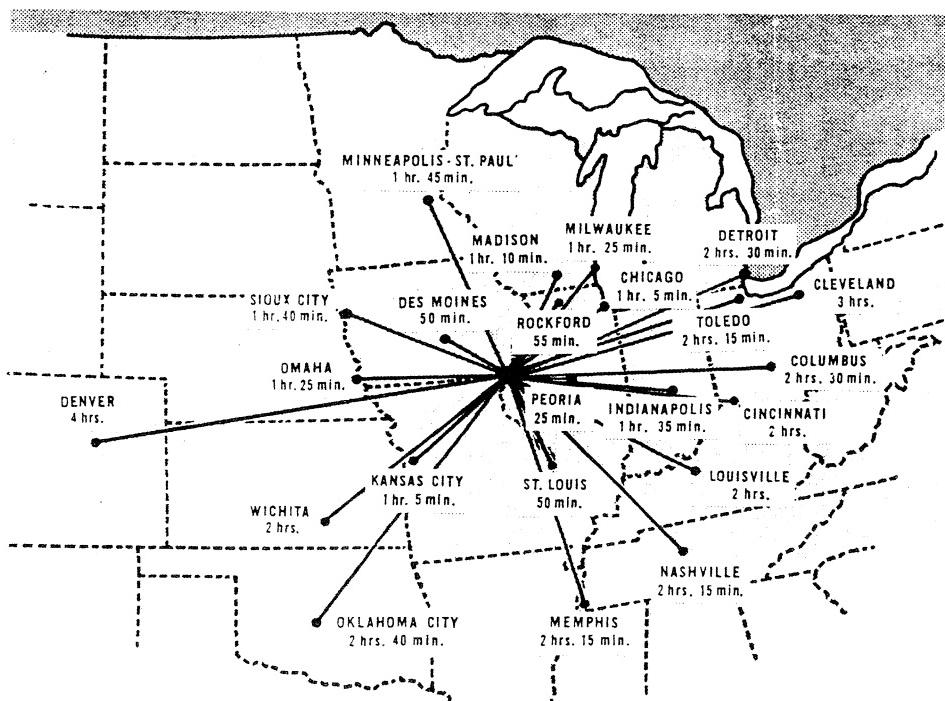


PLANES have a fuel capacity of 102 gallons in two regular tanks and 31 gallons in two auxiliary tanks. This gives the Cessna 310 (shown above) a range of over 800 miles at 180 miles per hour and the Cessna 310B a range of over 1,000 miles at 180 miles per hour.



PILOT Ray Grimes makes a final check before starting the Cessna 310's engines. Ray has been flying since 1949, joined the company in December, 1958. The array of instruments shown above includes safety equipment beyond that required by the Civil Aeronautics Administration.

CHIEF Pilot Don Berrier checks a flight plan before take off. The plan includes such information as estimated true airspeed, type and color of aircraft, point of departure, cruising altitude, destination. Don has been flying since 1945, came to the company in 1957. He has 6,800 hours of flying time.



THE above map shows typical destinations for company planes, flying times from Fort Madison. For longer trips, the planes provide quick connections with commercial flights.

The Question Box

QUESTION: Would you favor having a plant tour program for employees?



DOROTHY MER-SCHMAN, File—Yes. Some years ago a similar tour was available to employees with 15 years or more of service. Since I had the privilege to take this tour through Plants 1 and 2, I'm sure all employees would enjoy, and profit by it.



MILES SHIELDS,
Shipping—I think the
idea is a good one.
Employees could see
the many operations
in pen and pencil
manufacturing and
the other person's
problems.



PAULINE BERNARD
HARDT, Cafeteria—
Yes, I would be in
favor. Because if em-
ployees knew about
the part they worked
on and saw its pur-
pose, their work
would be much more
interesting to them.



JOHN WILSON,
Metal Fab.—Yes. It would give the new employees an opportunity to view what is done to the parts they work on and the older employees a chance to see the new equipment.



OTTILIA MEISTER, Legal—Yes, because many people in our office have probably never had an opportunity to see our production and operations and vice versa. I believe it would promote better understanding of the other fellow's job.



LEO ZUMDOME,
Plating—I think it would be very interesting to most of our employees to take a plant tour, because quite a few changes have been made throughout the plant in the last few years.

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Golf Champs . . .

Schier is Top Winner in Men's Tourney



RESEARCH and Development Director Jim Schier (left, above) looks both pleased and surprised as he admires the trophies he acquired as low scorer in the championship flight of the men's golf tournament. Helping him admire the champion's laurels are (left to right) Ernie Skinner, Bud Welber, Ray Stober, Glen Davidson and Dick Canella, winners of other flights. Heading the committee which planned the tournament were (right) Babe Serangeli and Ray Stober, Credit Department.



Sheaffer Good Neighbors . . .

(ED. NOTE—Another in the series of sketches spotlighting the civic activities of Sheaffer employees).

Aurelia Atkinson, IBM Depart-

ment, is active in a variety of community programs in Fort Madison.

In the last year, she has assisted with the Rodeo, the Cancer drive and the exchange student program, and served as a Junior Achievement advisor. She is also secretary of the Toastmistress Club and chairman of the Business and Professional Women's Club's committee on the exchange student program. She also served on the curriculum committee for the new high school.

Aurelia has been an employee since 1947. Her hobbies include leather carving, bowling and table decorations.



Service Anniversaries

— 30 YEARS —

Marie A. Weckbach—International Division

— 25 YEARS —

Ethel K. Schoene—Plastic Fab. & Final Assembly

Lawrence Rhoer—Repair Parts No. 2
Adelbert J. Solheid—Pen Point
Chester H. Moore—Pen Point
Anthony Foehring—Pen Point
Larsen A. Watts—Purchasing
Chester W. Sloan—Personnel
John W. Gaston—Molding

— 20 YEARS —

Lyle N. Omdahl—Accounting
Harvey B. Tyndall—Salesman

— 15 YEARS —

Barbara E. Jefferson—Occupancy G
John R. Foster—Production Control

— 10 YEARS —

James B. Bailey—Maintenance
Ronald J. Whitefield—Laboratory

— 5 YEARS —

Jeanette Bohnenkamp—General Administrative
Nina Schutte—Sales
Margie R. Wells—Tool & Die Division
Delbert Burdette—Occupancy M
R. Edward McKiernan—Tool & Die Division

Department Changes

In recent weeks, several office departments have been moved or re-located.

The File Department has been moved from the first floor to the third floor area formerly occupied by Production Control and Steno. The Steno Department has been moved from the third floor to the Mail and Addressograph area, which now includes the former file room.

Re-located on the third floor are Order Handling and Traffic, Sales Correspondence, Market Research, Advertising and Sales.

SHEAFFER'S

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AUGUST 1959



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EDITOR - - DICK PRIEBE

On The Cover

Our cover picture is a final salute to summer. We picked this scene because it's cool and refreshing (who wants to remember the heat and humidity) and because we can't resist taking occasional pictures of Sheaffer youngsters and their friends. The youthful splashers are (left to right) Richie Theim, Beth Menke, Jane Haggard, Karen Sirois, Paula Koellner and Kervin Dusenberry. Naturally, they were more happy than anyone about having this picture taken.

Shoes, Writing Instruments and Jobs

WHEN we buy a pair of shoes for ourselves, or new shoes to start the youngsters on another school year, we make a selection on the basis of price, style, quality, etc. With our collective shoe purchases, we help to determine which shoe companies might add employees to their payroll and which shoe companies might have to reduce their work forces.

By the same token, when employees of the shoe companies buy writing instruments, they help to determine the size of our work force. While many of them buy writing instruments more on the spur of the moment than we buy shoes, both price and quality are still decisive, in the long run.

To an extent, their jobs depend on which shoes we feel are the best buy and our jobs depend on which writing instruments they feel are the best buy. This is so because the money for wages and salaries can only come from customers.

What this boils down to, and what it illustrates, is that employees of American industry provide jobs for each other. Most of the money we spend this month to buy various items will go into future paychecks for the employees of other companies. Much of the money they spend this month on writing instruments will go into our future payrolls, or the future payrolls of competitors. And this process is repeated over and over again.

From the editor's notebook . . .

AS THE OLD SAYING GOES -- Remember when, if you knew a particularly healthy specimen, you described him as being "sound as a dollar."

It was a pretty common expression. But an editorial in a recent issue of the Wall Street Journal reminded us that people aren't saying it much any more. And there's good reason for this. The truth is, there are lots of things most people would rather be as sound as than today's dollar. It's worth only half as much as it was 20 years ago. And with some politicians apparently determined to create more inflation, its future value remains in doubt.

When you get down to it, the expression "sound as a dollar" was a reflection of America's strength. Let's start saying it again. Maybe it will remind us, in these days of fiscal carelessness, that a dollar isn't sound merely because the government prints it.

* * *

ANYONE HOME? -- A recent report from Personnel shows that over 700 people visited our main plant during May and June. Tours are arranged by the Public Relations Department.

* * *

NAMES IN THE NEWS -- *Lola Schenck*, Marketing, recently won a fourth prize in a national contest. She described (in 25 words or less) why she likes Heinz Ketchup best. The prize was an automatic mixer.

Lorena Wilcox, Pen Point, has added to her laurels as Sheaffer's top woman bowler. She recently took second place in the Ted Tyrba singles tournament, hitting 638. Over 3,000 women bowlers competed in the tourney, which was held in Chicago. Prize money for second place was \$175, Lorena smilingly reports.

* * *

SAFETY FIRST -- Employees of the Canadian plant recently won an award for their good safety record during 1958.

Shoes, Writing Instruments and Jobs

Our biggest task as Sheaffer employees is to turn out the best possible products at the best possible price and to promote them as vigorously as we can—in other words, to do things that are important in winning customers. When we're away from the job, on a shopping excursion, it's their turn to win us over.

Sometimes, in the dual role of employees and customers, we Americans slow down in employing each other. Either we don't need what the other fellow is making, or we aren't willing or able to pay the amount of payroll that's included in his product price. And it's largely true that, when the price of a product is too high to suit us, it means the amount of payroll being asked is too high. Because for all products sold in America, about 85 per cent of the selling price goes to pay the wages and salaries of those who produce them.

If we aren't willing to buy the other fellow's product, it doesn't mean we think he should get less money for his work. But it does mean we think he should see to it that his payroll cost per unit is less.

As employees who depend on his purchases for our jobs, we want him to make a high wage, so he is able to buy more of what we make. But as his customers, we don't want him to ask for more than his production justifies.

If he does, we have to fork over too much for his product. Or most likely, we decide not to buy it. Eventually, that puts him out of a job.

Sheaffer Quiz . . .

How's Your Company IQ?

Questions for the following quiz are based on stories in past 1959 issues of the Review, the company's last annual report and similar sources. There are no trick questions. See how well you can do.

1. The average payment per adopted suggestion in our suggestion plan is:

- (a) \$20
- (c) \$99
- (b) \$50
- (d) \$70

2. Profit is a part of the selling price of any product. True or false.

3. Since 1948, the purchasing power of Sheaffer employees has increased 50 per cent. True or false.

4. During 1958, the Public Relations Department sent out in answer to information requests about the company:

- (a) Over 10,000 pamphlets
- (b) Over 25,000 pamphlets
- (c) Over 115,000 pamphlets
- (d) Over 700,000 pamphlets

5. The IBM Department's electronic calculator can do per minute:

- (a) 4,000 calculations
- (b) 100 calculations
- (c) 400 calculations
- (d) 1,500 calculations

6. Electricity is a prime mover in our plants. Last year we used:

- (a) over 1 million kwh
- (b) over 7 million kwh
- (c) 250,000 kwh
- (d) 900,000 kwh

7. Our company holds over 170 patents and over 60 trademark registrations in the United States. True or false.

8. When our company was founded in 1913, personal and corporate tax rates were only about half what they are now. True or false.

9. Prices of the dies used in our molding department range from \$7,000 to \$12,000. True or false.

10. When you buy a loaf of bread, the number of taxes you've paid is:

- (a) five
- (c) 50
- (b) 151
- (d) two

11. The WASPCO Council started as a result of a suggestion made by two employees in:

- (a) 1914
- (c) 1937
- (b) 1927
- (d) 1946

12. The number of separate operations in manufacturing a Snorkel pen is:

- (a) over 250
- (c) over 100
- (b) 25
- (d) 75

13. There are 20 separate parts in a Snorkel pen. True or false.

14. During the last fiscal year, our provision for income taxes was:

and equipment, the total spent was:

- (a) \$450,000
- (c) \$100,000
- (b) \$10,000
- (d) Nothing

18. The first Sheaffer "White Dot" pen was introduced in:

- (a) 1913
- (c) 1920
- (b) 1908
- (d) 1930

19. The pen desk set was invented by a German manufacturer. True or false.

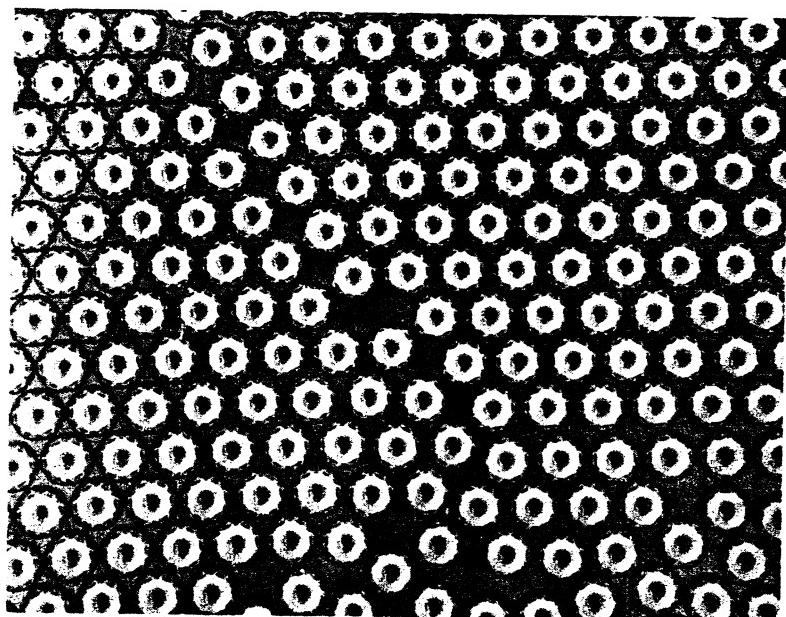
20. Profit-sharing payments to all employees began in:

- (a) 1940
- (c) 1928
- (b) 1934
- (d) 1920

21. Since our profit-sharing plan began, payments to employees have totaled:

- (a) \$7 million
- (c) \$18 million
- (b) \$10 million
- (d) \$20 million

22. An employee participating in the profit-sharing trust fund can contribute 15 per cent of his earnings. True or false.



A PART of one of our products is pictured above. What is it? (A word of caution. The part is magnified a time or two.)

- (a) \$500,000
- (c) \$1,500,000
- (b) \$2 million
- (d) \$900,000

15. Our operating costs for the fiscal year totaled about \$26 million. True or false.

16. At the end of the last fiscal year, the value of our plant, property and equipment (on the basis of cost) was:

- (a) \$6 million
- (c) \$10 million
- (b) \$3 million
- (d) \$5 million

17. Last year, in adding to plant

23. During fiscal 1958, company contributions to employees' profit-sharing trust funds totaled:

- (a) \$300,000
- (c) \$25,000
- (b) \$500,000
- (d) \$175,000

24. Skrip writing fluid is manufactured in 13 countries outside the United States. True or false.

25. Sheaffer products are manufactured under licensing agreements in three foreign nations. True or false.

26. How many white dots would you guess our company has used:

- (a) Over 10 million
- (c) Over 30 million
- (b) Over 20 million
- (d) Over 25 million

Answers on page 5

Group Insurance Plan . . .

Financial Help When It's Needed Most

DURING the last fiscal year, almost 1,000 Sheaffer employees received money at a time they could use it most—when sickness or injury struck them or members of their families.

The money was paid under provisions of our group insurance plan, and it totaled over \$200,000—to help pay hospital bills, surgical fees, etc.

The group insurance plan is one of several "fringe benefits" we enjoy as Sheaffer employees—benefits which amounted to an extra 46 cents for every wage dollar hourly and piecework employees received last year (about twice the national average for such benefits). And it's one of the most important ones, because none of us can tell when sickness or injury will come along.

It's important, too, that employees can obtain this protection at much less cost than for comparable individual policies, since the company contributes a sizeable part of the premium payment.

In time of need, the group insurance plan provides financial assistance to employees in several ways. In way of review, the principal ones are:

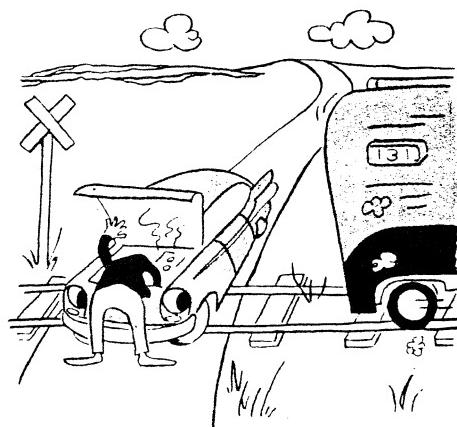


ACCIDENTAL DEATH AND DISMEMBERMENT—This provides financial assistance to employees who are seriously injured in accidents away from work. It provides assistance to members of the employee's family if death results from such an accident. (This is in addition to the death benefit payable under life insurance coverage). Payments range from \$1,000 to \$4,000, depending on the type of injury and the employee's earnings.

Last year, no payments were necessary under this provision of the insurance plan.

LIFE INSURANCE—This provides funds for dependents if an insured employee dies. The amount ranges from \$2,000 to \$4,000, depending on the employee's earnings.

Last year, life insurance payments totaled \$32,000.



WEEKLY ACCIDENT AND SICKNESS—This provides weekly payments to employees who are kept off the job by injuries or sickness not connected with their employment. (Payments for injuries or sickness connected with their employment are covered under Workmen's Compensation). Weekly benefits are payable for 13 weeks for any one disability. They range from \$30 to \$50 a week, depending on the employee's earnings.

Last year, a total of \$18,233.34 in weekly payments was made to employees.



(Continued on page 6)

Case Histories . . .

Insurance Benefits

As the accompanying story mentions, almost 1,000 Sheaffer employees received payments under our group insurance plan last year. To illustrate how the plan assists when sickness or injury come along, and when extra, unforeseen bills must be paid, three actual instances are briefly outlined below:

* * *

An employee was hospitalized for 49 days. Hospital charges, including a \$15 per day room, totaled \$1,114.20. Of this amount, the insurance paid \$847.20. In addition, the employee received weekly benefits of \$50 a week for 13 weeks, a total of \$650.

Hospital charges (49 days)	\$1,114.20
Insurance paid	847.20
Employee paid	267.00
Weekly benefits	650.00
Total received from insurance	\$1,497.20

* * *

An employee's dependent required surgery. Hospital charges were \$721.20 and surgical fees were \$475, a total of \$1,196.20. Of the hospital charges, insurance paid \$660.20. It paid \$240 in surgical fees.

Hospital charges	\$ 721.20
Surgical fees	475.00
Total	\$1,196.20
Insurance paid	
Hospital expenses	\$ 660.20
Surgical fees	240.00
Total	\$ 900.20
Employee paid	\$ 296.00

* * *

An employee's dependent was hospitalized for removal of tonsils. Hospital charges were \$90. Surgical fee was \$54. Insurance paid all of the hospital expenses and \$36 of the surgical fee.

Hospital charges	\$ 90
Surgical fee	54
Total	\$144
Insurance paid	
Hospital expenses	\$ 90
Surgical fee	36
Total	\$126
Employee paid	\$ 18

1. C. The average payment per adopted suggestion in our plan is \$99. In a recent survey of 206 other companies, the average payment was \$30.
2. True. Profit is one of the five costs that make up the selling price of any product. It is the cost paid for the use of tools that helped produce the product. It is paid to those who invested money to provide the tools.
3. False. Since 1948, the wages of Sheaffer employees have increased about 50 per cent. But the gain in purchasing power has been only about 30 per cent because of the dollar's loss in value.
4. D. The Public Relations Department sent out 746,000 pamphlets and brochures last year in answer to requests.
5. A. The IBM Department's electronic calculator can perform 4,000 calculations per minute.
6. B. Last year, in our domestic plants and offices, we used over 7 million kilowatt hours of electricity. Our power bill for 1958 was over \$108,000.
7. True. In addition, we hold over 200 patents in 35 foreign countries and over 600 trademark registrations in foreign countries.
8. False. When W. A. Sheaffer founded our company in 1913, personal income tax rates ranged from 1 per cent on income over \$20,000 to a high of 6 per cent on income over \$500,000. The tax on corporate profits was only 1 per cent. Today, personal income tax rates range from 20 per cent on \$2,000 of income to 91 per cent on income over \$200,000. Taxes now take 52 cents out of every dollar of corporate profits.
9. True. Special safety features are included in our molding machines to prevent damage to the expensive dies.
10. B. From the time wheat leaves the farmer's field until it ends up in your kitchen as a loaf of bread, 151 separate taxes have been applied to it. This is an example of "hidden" taxes, as contrasted to the direct income taxes which are more apparent to all of us.
11. C. The suggestion which led to the WASPCO Council was made in 1937.
12. A. There are over 250 separate operations in the manufacture of a Snorkel pen.
13. True. There are 21 separate parts in a Snorkel pen.
14. C. In the last fiscal year, we set aside \$1,593,538 to pay income taxes. This was over \$200,000 more than the previous year.
15. True. Operating costs in the last fiscal year were \$26,411,094.
16. A. At the end of the last fiscal year, our land, buildings, machinery and equipment were valued at \$6,207,050 on the basis of cost.
17. A. Additions to our plant and equipment cost \$450,996 in the last fiscal year.
18. C. The first lifetime Sheaffer pen with a White Dot was introduced in 1920. The price was \$8.75.
19. False. The desk set was invented and introduced by our company in 1924.
20. B. The profit-sharing plan for all employees was begun in 1934. The first payments totaled 4 per cent of employees' earnings.
21. C. Including the profit-sharing checks distributed last June, payments have totaled over \$18 million since the plan was started.
22. False. An employee cannot contribute 15 per cent of his earnings if this amounts to more than \$800 per year. This provision is made so that all employees share more equally in the fund.
23. A. During fiscal 1958, company contributions to the profit-sharing trust funds totaled over \$300,000.
24. True. Skrip writing fluid is manufactured under licensing agreements in 13 foreign countries.
25. False. Two foreign licensees manufacture and assemble certain of our products. They are Jade-Drake, Utrecht, Holland, and Packard, Ralph Mengel, Buenos Aires, Argentina.
26. C. Our company has used over 30 million White Dots in the manufacture of our top writing instruments.

Answer To "What Is It" Picture

The picture on page 3 was taken through a microscope in the laboratory. It shows a group of writing balls for Sheaffer ball-point pens. (We warned you they were magnified.)

Over \$200,000 in Benefits Last Year . . .

Group Insurance Plan

(from page 4)



HOSPITAL EXPENSES—This covers room and board and other hospital charges for employees and dependents, when a hospital stay is necessary as a result of a non-occupation accident or sickness. Board and room payments go up to \$10 a day for 70 days (for each confinement). All other hospital charges are paid entirely. (An exception is maternity cases, where the maximum payment for room and board and other charges is \$100).

Last year hospital expense payments totaled \$96,884.44. This included \$49,276.07 for employees and \$47,608.37 for their dependents.

SURGICAL EXPENSE—When an employee or dependent requires an operation, all or part of the surgical fees are paid. The maximum amounts payable for various types of surgery are outlined in the group insurance booklet given to all employees.

Last year, payments for surgical fees totaled \$30,225.19. This included \$14,242.22 for employees and \$15,903.84 for their dependents.



POLIO AND DREAD DISEASE BENEFITS—If an employee or members of his family contract polio or any of 10 other diseases where lengthy treatment and long hospital stays are often necessary, expenses are paid in addition to the regular group insurance coverage. This includes full payment of the first \$5,000 of additional expenses and 75 per cent of any remaining expenses, up to a maximum of \$10,000.

Last year, payments of only \$79.13 were necessary under this provision. This included \$26.27 for employees and \$52.86 for dependents.

Skrip Writing Fluid

Has Part in Trial

Our Skrip writing fluid played an important part in a court trial, recently completed in Lincoln, Neb.

A basic factor in the case was a contract, supposedly written in 1941. When the contract was examined by an Omaha document examiner, Winsor C. Moore, it was found to have been written with Skrip writing fluid containing RC-35 (an additive which makes writing visible under ultra-violet light even though the ink has been eradicated). Since this particular feature was not introduced by our company until 1955, Mr. Moore suggested that our chief chemist, Bob Casey, be called to testify.

In his decision, the judge said: "The evidence does not sustain the contract alleged to have been made . . . Among other things, the testimony of Mr. Casey was important on this point . . ."

Maico News . . .

According to recently released figures, June sales of Maico Electronics were 69 per cent over those of the preceding year and 200 per cent over those of June, 1957.

* * *

A new hearing aid, powered by an energy capsule no bigger than a shirt button, has been introduced by Maico. Called the "Model AP," it is a behind-the-ear aid, contoured to fit the wearer's head. A thin, transparent plastic tube conducts sound into the ear. Maico announces that the aid stays in place even during active sports, yet can be slipped on or off easily.

* * *

A broad program to achieve closer cooperation with a major source of hearing aid sales, the medical profession and allied fields, has been initiated by Maico. Dr. Paul La Benz, who formerly supervised acoustical and clinical research for the Veterans Administration, has joined Maico to head up the program as director of audiology.



Al Pollmeier Receives Retirement Gift From Management Club

When veteran employee Al Pollmeier (left) retired recently, he was presented with a gift by fellow members of the Management Club. It was a Knights of Columbus ring, and the presentation was made by club president Dick Canella. A supervisor in Pen Point at the time of his retirement, Al had 34 years of service.

Women's Travel Club Tours Northwest



DURING THE vacation shutdown, members of the Women's Travel Club took a bus tour of the northwest. They posed for the above picture during a stop in Portland, Ore. Included on the trip were Marie Neuhart, Margaret Gerth, Irene Busby, Haidee Painton, Emma Mathismeier, Savilla Walker, Agnes Hotop, Elsie McNeill, Mac Wells, Mary Dean Lepp, Mary Strope, Ermice Cox, Della Woods, Louise Pollpeter, Ann Hamman, Irene Hamman, Ethel Krebill, Mac Kirchner, Margaret Feldbauer, Elsie Johnson, Mae Keller, Peg Couchman, Alta Druse, Helen Crabtree, Ola Lightfoot, Katherine Teibbs, Dorothy Pingel, Letha Burghoffer, Judy Billings, Peryl Kress, Sophie Sacasky, May Sawin, Vera Shepperd, Martha Dobson and Eileen McDaniels.

Inflation . . .

Here's What It's Done To Your Earnings

The following chart shows what high taxes and inflation have done to our earnings since 1939. Taxes shown are the federal tax for single persons.

IN 1939	the recipient of an income of	had left after taxes	IN 1957	the same amount of income after tax was worth only	WHY?	because taxes had increased by	and inflation had taken
\$ 2,000	\$ 1,975		\$ 863	\$ 215	\$ 897		
3,000	2,943		1,265	365	1,313		
4,000	3,910		1,658	530	1,722		
5,000	4,878		2,051	696	2,131		
6,000	5,830		2,429	878	2,523		
7,500	7,227		2,990	1,132	3,105		
10,000	9,536		3,877	1,632	4,027		
12,500	11,818		4,715	2,205	4,898		
15,000	14,074		5,500	2,861	5,713		
20,000	18,486		6,916	4,386	7,184		
25,000	22,711		8,180	6,035	8,496		
30,000	26,776		9,325	7,764	9,687		
40,000	34,646		11,443	11,316	11,887		
50,000	42,216		13,347	15,004	13,865		

The Question Box

QUESTION: As a new employee, what do you like most about working at Sheaffer's?

CHARLENE FRAISE, Payroll—The workers and management are very friendly and the working conditions are excellent.



MICHAEL KEITH, Marketing Division—As a newcomer to Ft. Madison, as well as to Sheaffer's, I've been impressed by the sincere desire of everyone to help a stranger learn his way around.



JUDY COLLINS, Plastic Fab.—I like the working conditions, the pay and the friendly atmosphere.



CAROL BERG-THOLD, Quality Assurance—I enjoy very much working with the friendly and helpful people. I also like my job and the modern Sheaffer plant.



STEPHEN SEADLER, Market Research — The friendly team approach and fine fellow employees. The just-right company size so that communications are good. Also, the broad scope of activity and high quality of equipment. And the town is swell.



BRENDA FERGUSON, Plastic Fab.—What I like most is the friendly atmosphere and the people I work with.

W. A. SHEAFFER PEN COMPANY

301 Avenue H

Ft. Madison, Iowa

Return Postage Guaranteed

Frank R. Lescher
1323 Avenue D
Ft. Madison, Iowa

40

Bulk Rate
U.S. POSTAGE
PAID
Ft. Madison, Iowa
PERMIT No. 12

Deadline For Photo Contest is September 15

This year, for the first time, the annual photographic contest includes a color slide division. As in the past, there will also be prizes for the best color and black and white prints. First prize in each division will be a \$25 savings bond. Three second prize winners will each receive \$10, and three third prize winners will each receive \$5. Duplicate awards will be made in case of ties.

Here are the contest rules:

1. The contest is open to all Sheaffer employees throughout the world.
2. There is no limit to the number of slides or prints an employee may enter.
3. Name and address should be on a separate slip of paper attached to each entry. Do not write on the prints or slides, since judging will be done by number only. Send entries to Public Relations Department by September 15.
4. Any picture taken since last year's contest closed is eligible for a prize.
5. All entries will be returned to their owners as soon as winners have been announced.
6. Prints that have been retouched in any way will be disqualified.
7. Judges will be members of the Activities Committee. Their decision will be final.
8. Winners will be announced in the November Review.

Sheaffer Good Neighbors . . .

Another in the series of sketches spotlighting the civic activities of Sheaffer employees.

Whenever the Fort Madison city



council makes a decision which arouses some of the citizens, project engineer Dave Hug is among those who receive telephone calls from irate constituents. He has been a council member since January, 1958.

Dave has also been active in Boy Scout programs for several years. He is now an assistant cubmaster, and he has served as district chairman, as chairman of the camping and activities committee and as a cubmaster. He was also on the executive committee of the Southeast Iowa Council.

The Fort Madison Redeo is another project on which Dave has assisted, both as program chairman and parade chairman.

Service Anniversaries

— 30 YEARS —

Albert Rhode Molding
Mabel Edlen Quality Assurance
Mildred Barnes File

— 25 YEARS —

Vera Shepperd Quality Assurance
James Emerson Addressograph

— 15 YEARS —

Marguerite Thornton Service
Hubert Hurne Accounting

— 5 YEARS —

Edith Watson Tool & Die Division
Lyle Box Sales

Estella Conklin . . .

35th Service Anniversary



Estella Conklin, Plastic Fab, knows a lot about the quality that goes into Sheaffer writing instruments. This month marked her 35th service anniversary, and she has been an inspector the entire time, except for a few years spent at the War Division during World War II.

Moving into the new main plant was the most interesting experience she's had, Estella says. Her favorite Sheaffer writing instrument is the Skripriter ballpoint.